

Journal of the House

State of Indiana

112th General Assembly

Second Regular Session

Seventeenth Meeting Day **Monday Morning** February 4, 2002

The House convened at 11:00 a.m. with the Speaker in the Chair.

The invocation was offered by Reverend Mark Nielson, First Church of God, Monroe City, the guest of Speaker John R. Gregg.

The Pledge of Allegiance to the Flag was led by Representative Vern Tincher.

The Speaker ordered the roll of the House to be called:

Hoffman Aguilera Kersey Alderman Klinker Atterholt Kromkowski Avery Kruse Ayres Kruzan Bardon Kuzman Bauer Lawson Becker Leuck Behning Liggett Bischoff J. Lutz **Bodiker** Lvtle Borror Mahern Bosma Mangus McClain Bottorff C. Brown Mock T. Brown Moses Buck Munson Budak Murphy Buell Noe Oxley Burton Cheney Pelath Cherry Pond Cochran Porter Cook Reske Crawford Richardson Crooks Ripley Robertson Crosby Day Ruppel Denbo Saunders Scholer Dickinson Dillon M. Smith V. Smith Dobis Dumezich Steele Duncan Stevenson Dvorak Stilwell Espich Sturtz Foley Summers Frenz Thompson Friend Tincher Frizzell Torr Fry Turner

Ulmer **≜** GiaQuinta Goodin Weinzapfel Grubb Welch Harris Whetstone Hasler Wolkins Herndon D. Young Herrell Yount Hinkle Mr. Speaker

Roll Call 75: 98 present; 0 excused. The Speaker announced a quorum in attendance. [NOTE: \(\begin{array}{c} \leftilde{Indicates} \) those who were excused.]

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Engrossed Senate Bills 1, 10, 55, 265, 367, 410, and 505 and the same are herewith transmitted to the House for further action.

> MARY C. MENDEL Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Engrossed Senate Bills 60, 173, 175, 202, 214, 246, 248, 258, 269, 270, 271, 272, 276, 306, 326, 331, 333, 343, 366, 373, 401, 402, 404, 405, 407, 429, 469, 481, 482, 489, 495, and 502 and the same are herewith transmitted to the House for further action.

> MARY C. MENDEL Principal Secretary of the Senate

RESOLUTIONS ON FIRST READING

House Resolution 13

Representatives Kuzman and Dobis introduced House Resolution 13:

A RESOLUTION honoring Kappa, Kappa, Kappa, Inc.

Whereas, Kappa, Kappa, Kappa, Inc., more commonly known as Tri Kappa, is celebrating a statewide "Tri Kappa Week" February 17 through 23, 2002;

Whereas, Tri Kappa is a philanthropic sorority organization located only in Indiana;

Whereas, There are 11,000 members in 148 active and 132 associate chapters of Tri Kappa in Indiana;

Whereas, The objective of Tri Kappa for the past 100 years has been, and continues to be, to bring women into close, unselfish relationships for the promotion of charity, culture, and education throughout Indiana;

Whereas, Tri Kappa's scholarship program, which began in 1913, has provided students and those returning to school after an extended absence with scholarships in the areas of academics and fine arts, in addition to supporting gifted and talented programs throughout Indiana;

Whereas, Tri Kappa's charity program has been, and continues to be, actively involved with the James Whitcomb Riley Hospital for Children since it opened in 1922, and also donates to charities such as the Ronald McDonald House, Camp Riley, Indiana Special Olympics, Mental Health Association of Indiana, Indiana Chapter for the Prevention of Child Abuse, and the Coalition Against Domestic Violence, in addition to local charity programs throughout Indiana:

Whereas, Tri Kappa's cultural program has been a strong supporter of the Hoosier Salon since its inception in 1926, and it maintains the Tri Kappa Art Collection, a collection of almost 100 paintings on permanent loan to the Rose-Hulman Institute of Technology, and supports Youth Art Month; and

Whereas, Tri Kappa returns to state and local communities more than \$1.3 million annually for charitable, cultural, and educational projects throughout Indiana: Therefore,

> *Be it resolved by the House of Representatives* of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives wishes to commend the Tri Kappa sorority on its many contributions to Indiana and its citizens and to urge the mayors of Gary and Merrillville to proclaim the week of February 17 through 23, 2002, Tri Kappa Week.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to the leadership of Tri Kappa and the mayors of Gary and Merrillville.

The resolution was read a first time and adopted by voice vote.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 1:35 p.m. with the Speaker in the Chair.

Engrossed House Bill 1004

Representative Bauer called down Engrossed House Bill 1004 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning state and local fiscal matters and to make an appropriation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 76: yeas 51, navs 47. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Borst, Simpson, R. Meeks, and Rogers.

HOUSE BILLS ON SECOND READING

The following bills were called down by their respective authors. were read a second time by title, and, there being no amendments, were ordered engrossed: House Bills 1012, 1019, 1051, 1055, 1059, 1062, 1065, 1071, 1079, 1081, 1087, 1088, 1100, 1101, 1104, 1114, 1115, 1119, 1121, 1122, 1130, 1135, 1158, 1186, 1205, 1208, 1213, 1215, 1217, 1223, 1228, 1233, 1238, 1253, 1254, 1256, 1258, 1263, 1271, 1283, 1284, 1298, 1318, 1325, 1332, 1338, 1341, 1347, 1356, 1366, 1378, 1386, and 1387 and House Joint Resolutions 2 and 9.

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Dobis.

House Bill 1001

Representative Gregg called down House Bill 1001 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1001–4)

Mr. Speaker: I move that House Bill 1001 be amended to read as follows:

Page 6, line 15, begin a new paragraph beginning with "(b)".

Page 6, block indent lines 16 through 17.

Page 6, line 18, begin a new paragraph beginning with "(c)".

Page 6, line 21, begin a new paragraph beginning with "(d)". Page 24, line 11, delete "Neither:" and insert "**During the** pendency of a disaster emergency declared under this chapter, neither:'

Page 27, line 10, delete "section 7 of".

Page 27, line 23, delete "section 7 of". Page 27, line 24, delete "8(a)" and insert "8".

Page 27, between lines 27 and 28, begin a new paragraph and

"SECTION 32. IC 10-4-1-31 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 31. Any immunity provided by this chapter does not impair the right of any person to pursue a claim governed by IC 34-20.".

Renumber all SECTIONS consecutively.

(Reference is to HB1001 as printed January 31, 2002.) MOSES

Motion prevailed.

HOUSE MOTION (Amendment 1001–2)

Mr. Speaker: I move that House Bill 1001 be amended to read as follows:

Page 50, line 30, after "nitrate" insert "or other explosive". (Reference is to HB 1001 as printed January 31, 2002.)

Motion prevailed.

HOUSE MOTION (Amendment 1001–1)

Mr. Speaker: I move that House Bill 1001 be amended to read as follows:

Page 14, line 23, delete "The" and insert "If federal funds are not sufficient to pay for the system, the".

Page 18, line 2, delete "One" and insert "Before July 1, 2023,

Page 18, line 7, after "IC 5-26-4-1." insert "After June 30, 2023, the amount described in this subsection shall be deposited in the state license branch fund as provided by subsection (a)."

Page 18, line 8, delete "One" and insert "Before July 1, 2023, one".

Page 18, line 12, after "IC 5-26-4-1." insert "After June 30, 2023, the amount described in this subsection shall be deposited in the state license branch fund as provided by subsection (a).".

(Reference is to HB 1001 as printed January 31, 2002.)

TURNER

Motion prevailed. The bill was ordered engrossed.

House Bill 1013

Representative Day called down House Bill 1013 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1013–1)

Mr. Speaker: I move that House Bill 1013 be amended to read as follows:

Page 2, between lines 34 and 35, begin a new paragraph and insert:

"(c) A landlord may bring an action under subsection (a) even though the conditions set forth in subsection (b) are not met if the landlord initially determines after the termination of a tenant's occupancy that the tenant violated an obligation of the tenant under this chapter."

Page 2, line 35, delete "(c)" and insert "(d)".

Page 3, line 1, delete "(d)" and insert "(e)".

(Reference is to HB 1013 as printed February 1, 2002.)

DAY

Motion prevailed. The bill was ordered engrossed.

House Bill 1027

Representative Kuzman called down House Bill 1027 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1027-2)

Mr. Speaker: I move that House Bill 1027 be amended to read as follows:

Page 1, line 13, delete "." and insert "if the court determines that proceeding without counsel may lead to an erroneous decision.".

Page 1, line 14, delete "is impoverished according" and insert "earns not more than two hundred percent (200%) of the federal poverty guidelines".

Page 1, line 15, delete "to the federal poverty guidelines".

Page 1, line 17, delete "that the person:" and insert "that:".

Page 2, line 1, after "(1)" insert "the person".

Page 2, line 1, delete "financial resources" and insert "sufficient means".

Page 2, line 4, after "(2)" insert "the person".

Page 2, delete lines 5 through 6.

Page 2, line 7, delete "(4)" and insert "(3) the person ". Page 2, line 7, delete "or".

Page 2, delete line 8, begin a new line block indented and insert:

'(4) the person's claim or defense is patently frivolous; or (5) the assigning of counsel would severely and adversely affect any specific fiscal or other governmental interest.".

Page 2, after line 11, begin a new paragraph and insert:

" (e) The reasonable attorney's fees and expenses of an attorney assigned to represent an applicant under this section shall be paid from the money appropriated to the court by the county fiscal body as part of the regular budgeting process.".

(Reference is to HB 1027 as printed January 31, 2002.)

KUZMAN

Motion prevailed.

HOUSE MOTION (Amendment 1027–1)

Mr. Speaker: I move that House Bill 1027 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new

paragraph and insert:

"SECTION 1. IC 1-1-8.1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. In the event that the Congress of the United States or the Department of Transportation should permit any state which is divided by a time zone line to exempt less than a whole state from the observance of advanced or Daylight Savings Time, then in such event this chapter shall not apply to that portion of the State of Indiana that is in the Central Time Zone."

Renumber all SECTIONS consecutively.

(Reference is to HB 1027 as printed January 31, 2002.)

TORR

Representative Moses rose to a point of order, citing Rule 80, stating that the motion was not germane to the bill. The Speaker ruled the point was well taken and the motion was out of order.

There being no further amendments, the bill was ordered engrossed.

House Bill 1029

Representative Grubb called down House Bill 1029 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1029–1)

Mr. Speaker: I move that House Bill 1029 be amended to read as follows:

Page 2, between lines 20 and 21, begin a new line double block indented and insert:

> "(A) a county having a population of more than eight thousand (8,000) but less than nine thousand (9,000);"

Page 2, line 21, delete "(A)" and insert "(B)".

Page 2, line 23 delete "(17,000)." and insert "(17,000);"

Page 2, line 24, delete "(B)" and insert "(C)"

Page 2, line 27, delete "(C)" and insert "(D)".

Page 2, line 29, delete "or".

Page 2, between lines 29 and 30, begin a new line double block indented and insert:

- (E) a county having a population of more than thirty-six thousand (36,000) but less than thirty-six thousand seventy-five (36,075); and
- (F) a county having a population of more than thirty-seven thousand (37,000) but less than thirty-eight thousand (38,000);"

Page 2, line 30, before "a" insert "(G)".

(Reference is to HB 1029 as printed on January 31, 2002.)

T. BROWN

Motion prevailed. The bill was ordered engrossed.

The Speaker Pro Tempore yielded the gavel to the Speaker.

House Bill 1073

Representative Avery called down House Bill 1073 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1073–1)

Mr. Speaker: I move that House Bill 1073 be amended to read as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning family law and juvenile law.

Page 1, line 5, after "representatives," insert "who may not be members of the same political party,"

Page 1, line 7, "senate," insert "who may not be members of the same political party,"

Page 1, line 10, delete "speaker of the house of representatives" and insert "president pro tempore of the senate".

Page 1, line 12, delete "president pro tempore of the senate" and insert "speaker of the house of representatives"

Page 1, line 13, delete "Three (3)" and insert "Two (2)"

Page 1, line 14, after "law" insert ", to be appointed by the chief

Page 1, line 14, delete "The chief justice shall recommend three

Page 1, delete lines 15 through 17.

Page 2, delete lines 1 through 3.
Page 2, line 5, delete "president pro" and insert "**speaker of the** house of representatives.".

Page 2, delete line 6.

Page 2, delete lines 17 through 20.

Page 2, line 7, delete "the".

Page 2, line 7, delete "agency" and insert ",".

Page 2, line 8, delete "(FSSA),"

Page 2, line 14, delete "state bar association's committee" and insert "State Bar Association's Committee".

Page 2, line 15, delete "civil rights for children," and insert "Civil Rights for Children,".

Page 2, line 21, delete "(13)" and insert "(11)". Page 2, line 23, delete "(14)" and insert "(12)". Page 2, delete lines 25 through 33.

Page 2, line 34, delete "(18)" and insert "(13)".
Page 3, line 6, delete "Fund" and insert "account".
Page 3, delete lines 37 through 42.

Page 4, delete lines 1 through 2.

Page 4, line 3, delete "(c)" and insert "(b)".

(Reference is to HB 1073 as printed January 31, 2002.)

AVERY

Motion prevailed. The bill was ordered engrossed.

House Bill 1077

Representative Ayres called down House Bill 1077 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1077–1)

Mr. Speaker: I move that House Bill 1077 be amended to read as follows:

Page 5, line 17, delete "not".

Page 5, line 22, after "that is" insert "not".

(Reference is to HB 1077 as printed January 31, 2002.)

KUZMAN

Motion prevailed. The bill was ordered engrossed.

House Bill 1099

Representative Hoffman called down House Bill 1099 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1099–1)

Mr. Speaker: I move that House Bill 1099 be amended to read as

Page 3, line 11, delete "equipment" and insert "advisory committees".

(Reference is to HB 1099 as printed January 30, 2002.)

HOFFMAN

Motion prevailed. The bill was ordered engrossed.

The Speaker yielded the gavel to the Deputy Speaker Pro Tempore, Representative Crosby.

House Bill 1116

Representative Fry called down House Bill 1116 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1116–3)

Mr. Speaker: I move that House Bill 1116 be amended to read as follows:

Page 5, line 2, delete "eighty (180)" and insert "thirty-five (135)". Page 5, line 4, delete "eighty (180)" and insert "thirty-five (135)". (Reference is to HB 1116 as printed January 31, 2002.)

FRY

Motion prevailed.

HOUSE MOTION (Amendment 1116–1)

Mr. Speaker: I move that House Bill 1116 be amended to read as follows:

Page 2, delete lines 28 through 42.

Delete pages 3 through 4.

Page 5, delete lines 1 through 19.

Renumber all SECTIONS consecutively.

(Reference is to HB 1116 as printed January 31, 2002.)

BEHNING

Motion failed.

HOUSE MOTION (Amendment 1116–2)

Mr. Speaker: I move that House Bill 1116 be amended to read as follows:

Page 8, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 7. IC 8-1-8.4 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 8.4. Merchant Power Plants

Sec. 1. This chapter does not apply to a merchant power plant that has filed a petition with the commission under IC 8-1-2.5 before March 1, 2001, seeking an order that the commission decline to exercise, in whole or in part, its jurisdiction over the merchant power plant.

Sec. 2. (a) As used in this chapter, "merchant power plant"

means a facility within Indiana used for the:

(1) production, transmission, delivery, or furnishing of heat, light, or power; and

(2) sale of electric energy exclusively on the wholesale market;

to other public utilities, energy service providers, or power marketers within or outside Indiana.

- (b) The term includes a facility that has made a significant alteration to the labor used to construct or remodel the facility. For purposes of this subsection, a facility makes a significant alteration in the labor used to construct or remodel a facility if the person uses contractors, subcontractors, or work crews that include workers who are not participants in or have not completed a jointly administered labor and management apprenticeship program approved by the United States Department of Labor's Bureau of Apprenticeship Training.
- (c) The term does not include a facility that is owned, controlled, or operated by a person that is obligated contractually to provide substantially all of the wholesale power requirements of an electricity supplier under a contract extending at least five (5) years.
- Sec. 3. Except as provided in section 1 of this chapter, a merchant power plant is subject to the jurisdiction of the

commission.

- Sec. 4. (a) The commission shall consider the following when acting upon any petition by a merchant power plant under IC 8-1-2.5 or IC 8-1-8.5:
 - (1) Location.
 - (2) Need.
 - (3) Financing.
 - (4) Reporting requirements.
 - (5) Impact on electric, water, and natural gas suppliers and customers.
 - (6) The recommendation of the department of natural resources under section 12 of this chapter.
- (b) The commission shall issue a decision either approving or denying a merchant power plant's petition under IC 8-1-2.5 or IC 8-1-8.5 not later than eighteen (18) months after the date of the petition.
- Sec. 5. (a) When petitioning the commission under IC 8-1-2.5 or IC 8-1-8.5, a merchant power plant must establish proof of financial responsibility by filing one (1) or a combination of the following with the commission:
 - (1) A fully funded trust fund agreement.
 - (2) A surety bond with a standby trust fund agreement.
 - (3) A letter of credit with a standby trust fund agreement.
 - (4) An insurance policy with a standby trust fund agreement.
 - (5) Proof that the merchant power plant meets a financial test established by the commission and equivalent to one (1) of the items in subdivisions (1) through (4).
- (b) The amount of financial responsibility that a merchant power plant must establish under this section shall be determined by the commission. In all cases, the amount must be sufficient to close the merchant power plant in a manner that:
 - (1) minimizes the need for further maintenance and remediation; and
 - (2) provides reasonable, foreseeable, and necessary maintenance and remediation after closure for at least twenty (20) years after the merchant power plant ceases operations.
 - (c) The commission may use:
 - (1) a trust fund agreement;
 - (2) a surety bond;
 - (3) a letter of credit;
 - (4) an insurance policy; or
 - (5) other proof of financial responsibility;

filed under this section for the closure or post-closure monitoring, maintenance, or remediation of a merchant power plant approved by the commission, if the merchant power plant does not comply with closure or post-closure standards established by the commission under subsection (d).

(d) The commission shall adopt rules under IC 4-22-2 to

establish the following:

(1) Standards for the proper closure and post-closure monitoring, maintenance, and remediation of merchant power plants.

(2) Criteria for how money in a trust fund agreement, a surety bond, a letter of credit, an insurance policy, or other proof of financial responsibility provided by a merchant power plant may be released to the merchant power plant when the merchant power plant meets the closure and post-closure standards established under subdivision (1).

Sec. 6. (a) Not later than seven (7) days after filing a petition under IC 8-1-2.5 or IC 8-1-8.5, a merchant power plant shall:

- (1) send notice of the petition by United States mail to all record owners of real property located within one-half (½) mile of the proposed facility; and
- (2) cause notice of the petition to be published in a newspaper of general circulation in each county in which the facility or proposed facility is or will be located.
- (b) The notice of the petition shall include:
 - (1) a description of the facility or proposed facility; and
 - (2) the location, date, and time of the field hearing required by section 7 of this chapter.

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Sec. 7. Not later than thirty (30) days after filing a petition under IC 8-1-2.5 or IC 8-1-8.5, a merchant power plant shall conduct a field hearing at a location in a county in which the facility or proposed facility is or will be located. The purpose of the field hearing is to determine local support for the merchant power plant.

Sec. 8. Not later than thirty (30) days after the field hearing required by section 7 of this chapter, a majority of the persons described in section 6(a)(1) of this chapter may request in

writing a hearing before the commission.

- Sec. 9. (a) Not later than thirty (30) days after a hearing is requested under section 8 of this chapter, the commission shall conduct a hearing at a location in a county in which the facility or proposed facility is or will be located. The hearing required by this subsection must be held:
 - (1) before or at the same time as the hearing required under IC 8-1-8.5-5(b); and
 - (2) before the commission issues a certificate of public convenience and necessity under IC 8-1-8.5.
- (b) At least ten (10) days before the scheduled hearing, notice of the hearing must be served by first class mail on:
 - (1) all record owners of property located within one-half
 - (½) mile of the proposed facility; and
 - (2) the merchant power plant.
 - (c) The parties to the hearing include:
 - (1) a person entitled to notice under section 9(b)(1) of this chapter; and
 - (2) the merchant power plant.
- (d) The commission shall accept written or oral testimony from any person who appears at the public hearing, but the right to call and examine witnesses is reserved for the parties to the hearing.
- (e) The commission shall make a record of the hearing and all testimony received. The commission shall make the record available for public inspection.
- Sec. 10. Not later than forty-five (45) days after a hearing is conducted under section 9 of this chapter, the commission shall issue written findings based on the testimony presented at the hearing. To the extent the commission's findings differ from testimony presented at the hearing, the commission must explain its findings.
- Sec. 11. When considering whether to approve a merchant power plant, the commission shall give preference to the following locations for siting:
 - (1) Brownfield sites that are isolated from populated areas.
 - (2) Sites of existing or former utilities that can be replaced or repowered.
 - (3) Other sites identified for power plant or heavy industrial development in local land use plans before the initiation of site selection for the facility.

Sec. 12. (a) For purposes of this section:

- (1) "department" refers to the department of natural resources; and
- (2) "water resource" has the meaning set forth in IC 14-25-7-8.
- (b) When considering whether to approve a merchant power plant, the commission shall obtain a recommendation from the department regarding the merchant power plant's planned use of and its potential effect on the water resource.
- (c) To make its recommendation, the department may do the following:
 - (1) Rely on the merchant power plant's water resource assessment under subsection (d).
 - (2) Consult with and advise users of the water resource.
 - (3) Enter upon any land or water in Indiana to evaluate the effect of the merchant power plant on the water resource.
 - (4) Conduct studies to evaluate the availability and most practical method of withdrawal, development, conservation, and use of the water resource.
 - (5) Require metering or other reasonable measuring of water withdrawals and reporting of the measurement to the department.

- (6) Engage in any other activity necessary to carry out the purposes of this section.
- (d) A merchant power plant shall provide an assessment of its effect on the water resource and its users to the commission and the department. The assessment shall be prepared by a licensed professional geologist (as defined in IC 25-17.6-1-6.5) or an engineer licensed under IC 25-31-1. The assessment must include the following information:
 - (1) Sources of water supply.
 - (2) Total amount of water to be used by the merchant power plant for each source.
 - (3) Location of wells or points of withdrawal.
 - (4) Ability of the water resource to meet the needs of the merchant power plant and other users.
 - (5) Probable effects of the merchant power plant's use and consumption of the water resource on other users.
 - (6) Alternative sources of water supply.
 - (7) Conservation measures proposed by the merchant power plant for reducing the plant's effect on the water resource.
 - (8) Other information required by any other law, rule, or regulation.
- Sec. 13. Following the approval of a petition by the commission, the merchant power plant shall:
 - (1) notify the commission upon becoming an affiliate of any regulated Indiana utility selling electricity at retail to Indiana consumers, at which time the commission may reassert any jurisdiction it had declined under IC 8-1-2.5;
 - (2) obtain prior commission approval with respect to the sale of any electricity to any affiliated regulated Indiana retail utility, or any affiliate of a regulated Indiana retail utility; and
 - (3) obtain prior commission approval of any transfers of ownership of the facility or its assets."

Page 8, after line 35, begin a new paragraph and insert:

"SECTION 8. An emergency is declared for this act.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1116 as printed January 31, 2002.)

T. ADAMS

Motion prevailed. The bill was ordered engrossed.

House Bill 1360

Representative Moses called down House Bill 1360 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1360–5)

Mr. Speaker: I move that House Bill 1360 be amended to read as follows:

Page 4, between lines 26 and 27, begin a new paragraph and insert:

- "(f) In appropriating money from the build Indiana fund for state and local capital projects, the general assembly shall, to the extent practicable, allocate money:
 - (1) equally among legislative districts for the house of representatives; and
- (2) equally among legislative districts for the senate; without regard to the political affiliation of the member of the general assembly representing the legislative district or the voting preferences of the legislative district.
- (g) In reviewing and approving projects under section 10 of this chapter, the budget committee and the governor shall carry out a program under which, to the extent that projects otherwise qualify for funding, money for projects is disbursed:
 - (1) equally among legislative districts for the house of representatives; and
- (2) equally among legislative districts for the senate; without regard to the political affiliation of the member of the general assembly representing the legislative district or the voting preferences of the legislative district."

(Reference is to HB 1360 as printed January 30, 2002.) D. YOUNG

Motion prevailed.

HOUSE MOTION (Amendment 1360–1)

Mr. Speaker: I move that House Bill 1360 be amended to read as follows:

Page 6, line 40, delete ", and pay the costs of the audits".

Page 8, line 11, after "to" insert ":".

Page 8, line 11, before "carry" begin a new line block indented and

"(1)

Page 8, line 11, delete "chapter." and insert "chapter; and (2) notwithstanding IC 5-11-4-3, pay the expense of examination and investigation of accounts related to a state or local capital project.".

Page 12, delete lines 9 through 42.

Delete page 13.

Renumber all SECTIONS consecutively.

(Reference is to HB 1360 as printed January 30, 2002.)

MOSES

Motion prevailed. The bill was ordered engrossed.

The Deputy Speaker Pro Tempore yielded the gavel to the Speaker.

House Bill 1129

Representative Alderman called down House Bill 1129 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1129–1)

Mr. Speaker: I move that House Bill 1129 be amended to read as

Page 3, after line 42, begin a new paragraph and insert:

"SECTION 5. IC 7.1-5-1-3, AS AMENDED BY P.L.213-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) Except as provided in subsection (b), it is a Class B misdemeanor for a person to be in a public place or a place of public resort in a state of intoxication caused by the person's use of alcohol or a controlled substance (as defined in IC 35-48-1-9).

(b) A person who is a passenger in a private motor vehicle being operated by an individual who is not intoxicated is not in a public place or place of public resort for purposes of this

SECTION 6. [EFFECTIVE JULY 1, 2002] IC 7.1-5-1-3, as amended by this act, applies only to crimes committed after June 30, 2002."

Renumber all SECTIONS consecutively.

(Reference is to HB 1129 as printed January 31, 2002.)

STEELE

After discussion, Representative Steele withdrew the motion.

There being no further amendments, the bill was ordered engrossed.

House Bill 1138

Representative Ayres called down House Bill 1138 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1138–2)

Mr. Speaker: I move that House Bill 1138 be amended to read as follows:

Page 9 between lines 32 and 33 begin a new line double block indented and insert"

"(c) The collection of the fees authorized by this section may be effectuated through a periodic billing system or through a charge appearing on the semiannual property tax statement of the affected property owner:"

(Reference is to HB1138 as printed January 29, 2002.)

MAHERN

Motion prevailed. The bill was ordered engrossed.

House Bill 1153

Representative Pelath called down House Bill 1153 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1153–1)

Mr. Speaker: I move that House Bill 1153 be amended to read as follows:

Page 6, line 1, delete "(1)" and insert "(A)".

Page 6, line 4, delete "(2)" and insert "(B)".

Page 6, double block indent lines 1 through 5.

Page 6, line 6, delete "(c)".

Page 9, between lines 24 and 25, begin a new paragraph and insert:

"SECTION 6. IC 20-6.1-5-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2.5. (a) For school corporations where teachers' salaries, compensation, and other benefits are determined under a contract reached through collective bargaining under IC 20-7.5, this section applies to teachers' salaries, compensation, and other benefits under collective bargaining contracts that are executed and take effect after June 30, 2002.

- (b) As used in this section, "approved academic credit" refers to academic credit in courses approved by the board.
- (c) For purposes of determining teachers' salaries, compensation, and other benefits, the following apply:
 - (1) A school corporation shall count in the number of credit hours attributable to an individual teacher all hours of approved academic credit that the teacher earns beyond an undergraduate degree.
 - (2) A school corporation may elect to count in the number of credit hours attributable to an individual teacher any credit hours that the teacher earns beyond an undergraduate degree that are not approved academic credit.
 - (3) A school corporation shall recognize as equivalent:
 - (A) a teacher who earns a master's degree; and
 - (B) a teacher who earns an amount of approved academic credit that:
 - (i) is determined through collective bargaining under IC 20-7.5; and
 - (ii) does not exceed thirty-six (36) hours.
- (d) Compensation for continuing education or professional development activities that are required in order to obtain or retain a teaching license shall be determined in accordance with IC 20-7.5. This section does not limit the rights of the school employer or the exclusive representative to mutually establish under IC 20-7.5 compensation for continuing education or professional development activities that are in addition to requirements to obtain or retain a teaching license.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1153 as printed February 1, 2002.)

THOMPSON

Motion prevailed. The bill was ordered engrossed.

House Bill 1164

Representative Crooks called down House Bill 1164 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1164-2)

Mr. Speaker: I move that House Bill 1164 be amended to read as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 27-2-21 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2002]:

Chapter 21. Credit Information in Property and Casualty Insurance

- Sec. 1. As used in this chapter, "applicant" means an individual who applies for a policy of property and casualty
- Sec. 2. As used in this chapter, "claim loss" means a claim paid under a policy of property and casualty insurance, including a claim for:
 - (1) bodily injury;
 - (2) property damage;
 - (3) medical payments;
 - (4) collision coverage;
 - (5) comprehensive coverage;
 - (6) car rental coverage; or
 - (7) towing coverage.
- Sec. 3. As used in this chapter, "commissioner" refers to the commissioner of the department.
- Sec. 4. As used in this chapter, "credit information" means credit related information obtained through a review of a credit history, credit report, or credit score, or on an application for a policy of property and casualty insurance.

Sec. 5. As used in this chapter, "credit score" means a number or rating derived through a credit scoring methodology.

- Sec. 6. As used in this chapter, "credit scoring methodology" means the particular algorithm, computer model, or other method used by an insurer to reduce to a numerical or other rating for use in the insurance underwriting process certain credit history data contained in an individual's credit report.
- Sec. 7. As used in this chapter, "department" refers to the department of insurance created under IC 27-1-1-1.
- Sec. 8. As used in this chapter, "insured" means an individual who is entitled to coverage under a policy of property and casualty insurance.
 - Sec. 9. As used in this chapter, "insurer" means a person that: (1) is described in IC 27-1-2-3(x); and

 - (2) issues a policy of property and casualty insurance.
- Sec. 10. As used in this chapter, "property and casualty insurance" means one (1) or more of the kinds of insurance described in Class 2 and Class 3 of IC 27-1-5-1.
- Sec. 11. (a) This chapter applies to an individual policy of property and casualty insurance.
- (b) This chapter does not apply to a commercial line of insurance.
- Sec. 12. (a) An insurer may not use a credit score until the insurer files with the commissioner the credit scoring methodology and changes to the credit scoring methodology that the insurer uses to develop the credit score.
- The commissioner shall review a credit scoring methodology and changes to the credit scoring methodology filed under subsection (a) for compliance with Indiana insurance laws
- Sec. 13. (a) An insurer may not, based solely on credit information, refuse to issue, refuse to renew, or cancel a policy of property and casualty insurance.
- (b) An insurer does not violate subsection (a) if the insurer offers to provide continuous and identical coverage to an insured under a policy of property and casualty insurance underwritten:
 - 1) by an affiliate of the insurer; and
 - (2) in the same rating class.
- Sec. 14. If the credit score of an insured or applicant is adversely impacted or cannot be generated because the credit history of the insured or applicant is insufficient, an insurer shall:
 - (1) apply underwriting or rating criteria to the insured or applicant as if the insured or applicant had a neutral credit history, as defined in the insurer's underwriting guidelines or rate making standards unless otherwise actuarially iustified; or
 - (2) exclude the use of credit as a factor in the underwriting or rating process.

Sec. 15. An insurer may not, based on credit information, refuse to issue, refuse to renew, or cancel a property and casualty insurance policy, or transfer an insured to an affiliate or to a different rating class if the insured has:

- (1) continuously maintained a policy of property and casualty insurance issued by the insurer;
- (2) had no claim loss on the policy specified in subdivision
- (1); and
- (3) had no moving traffic violations;

during the three (3) years immediately preceding the date on which the insurer makes a determination described in this section.

- Sec. 16. (a) If credit information is used as a basis for a refusal to issue, refusal to renew, cancellation, or rating of a policy of property and casualty insurance, the insurer shall provide notice to the insured or applicant of the insurer's use of credit information as a basis for the refusal to issue, refusal to renew, cancellation, or rating of the policy of property and casualty insurance according to the federal Fair Credit Reporting Act (15 U.S.C. 1681 et seq.).
- (b) An insurer shall include in a notice required under subsection (a) notice that the insured or applicant has the right to, not more than ninety (90) days after the insured or applicant receives the notice required under subsection (a), request in writing from the insurer an explanation of the most significant reasons for the credit score result, including the principal factors involved in the refusal to issue, refusal to renew, cancellation, or rating of the policy of property and casualty insurance.
- (c) Not more than twenty-one (21) business days after an insurer receives a request under subsection (b):
 - (1) the insurer; or
 - (2) a third party that:
 - (A) possesses the information necessary to provide an explanation requested under subsection (b); and
 - (B) is directed by the insurer to provide the requested explanation;

shall provide the requested explanation in writing to the insured or applicant.

- (d) If an insurer, in the notice provided under subsection (a), provided the explanation requested under subsection (b), the insurer has met the requirement of subsection (c).
- Sec. 17. (a) An insurer shall not use credit information as a pretext for discrimination against an insured or applicant that is based on the gender, race, nationality, or religion of the insured or applicant.
- (b) A credit scoring methodology may not be used by an insurer if the credit scoring methodology incorporates the gender, race, nationality, or religion of an insured or applicant.

Sec. 18. Information provided by an insurer to the commissioner under this chapter is confidential.

- Sec. 19. An insurance producer licensed under IC 27-1-15.6 is not liable in any action arising from the use of credit information by an insurer if the insurance producer complies with the insurer's procedures that are provided to the insurance producer by the insurer concerning the use of credit information.
- Sec. 20. A willful violation of this chapter is an unfair and deceptive act and practice in the business of insurance under IC 27-4-1-4, as determined by the commissioner.
- Sec. 21. This chapter is not intended to conflict with any disclosure provisions of state law or the federal Truth in Lending Act (15 U.S.C. 1601 et seq.).

SECTION 2. IC 27-1-21-16.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 2, 2004]: Sec. 16.1. (a) This section applies to an insured or applicant to whom notice is provided under section 16 of this chapter.

- (b) This section supplements the federal Fair Credit Reporting Act (15 U.S.C. 1681 et seq.).
- (c) In addition to the explanation that an insurer must provide under section 16 of this chapter, an insurer shall, not more than twenty-one (21) business days after the insurer receives a request under section 16 of this chapter, provide in writing to the insured

or applicant the requested explanation, and additional information involved in the refusal to issue, refusal to renew, cancellation, or rating of the policy of property and casualty insurance, including:

- (1) notice that a credit score was a determining factor in the insurer's decision;
- (2) a thorough explanation of the credit scoring process used by the insurer;
- (3) a list of all factors contained in the credit history of the insured or applicant that were used to derive a credit score that negatively affected the insurability of the insured or applicant; and

(4) an explanation of how the factors listed under subdivision (3) negatively affected the insurability of the

insured or applicant.

SECTION 3. IC 27-4-1-4, AS AMENDED BY P.L.132-2001, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. The following are hereby defined as unfair methods of competition and unfair and deceptive acts and practices in the business of insurance:

(1) Making, issuing, circulating, or causing to be made, issued, or circulated, any estimate, illustration, circular, or statement:

- (A) misrepresenting the terms of any policy issued or to be issued or the benefits or advantages promised thereby or the dividends or share of the surplus to be received thereon;
- (B) making any false or misleading statement as to the dividends or share of surplus previously paid on similar policies:
- (C) making any misleading representation or any misrepresentation as to the financial condition of any insurer, or as to the legal reserve system upon which any life insurer operates;
- (D) using any name or title of any policy or class of policies misrepresenting the true nature thereof; or
- (E) making any misrepresentation to any policyholder insured in any company for the purpose of inducing or tending to induce such policyholder to lapse, forfeit, or surrender his insurance.
- (2) Making, publishing, disseminating, circulating, or placing before the public, or causing, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in a newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio or television station, or in any other way, an advertisement, announcement, or statement containing any assertion, representation, or statement with respect to any person in the conduct of his insurance business, which is untrue, deceptive, or misleading.
- (3) Making, publishing, disseminating, or circulating, directly or indirectly, or aiding, abetting, or encouraging the making, publishing, disseminating, or circulating of any oral or written statement or any pamphlet, circular, article, or literature which is false, or maliciously critical of or derogatory to the financial condition of an insurer, and which is calculated to injure any person engaged in the business of insurance.

(4) Entering into any agreement to commit, or individually or by a concerted action committing any act of boycott, coercion, or intimidation resulting or tending to result in unreasonable restraint of, or a monopoly in, the business of insurance.

(5) Filing with any supervisory or other public official, or making, publishing, disseminating, circulating, or delivering to any person, or placing before the public, or causing directly or indirectly, to be made, published, disseminated, circulated, delivered to any person, or placed before the public, any false statement of financial condition of an insurer with intent to deceive. Making any false entry in any book, report, or statement of any insurer with intent to deceive any agent or examiner lawfully appointed to examine into its condition or into any of its affairs, or any public official to which such insurer is required by law to report, or which has authority by law to examine into its condition or into any of its affairs, or, with like intent, willfully omitting to make a true entry of any

material fact pertaining to the business of such insurer in any book, report, or statement of such insurer.

(6) Issuing or delivering or permitting agents, officers, or employees to issue or deliver, agency company stock or other capital stock, or benefit certificates or shares in any common law corporation, or securities or any special or advisory board contracts or other contracts of any kind promising returns and profits as an inducement to insurance.

(7) Making or permitting any of the following:

- (A) Unfair discrimination between individuals of the same class and equal expectation of life in the rates or assessments charged for any contract of life insurance or of life annuity or in the dividends or other benefits payable thereon, or in any other of the terms and conditions of such contract; however, in determining the class, consideration may be given to the nature of the risk, plan of insurance, the actual or expected expense of conducting the business, or any other relevant factor.
- (B) Unfair discrimination between individuals of the same class involving essentially the same hazards in the amount of premium, policy fees, assessments, or rates charged or made for any policy or contract of accident or health insurance or in the benefits payable thereunder, or in any of the terms or conditions of such contract, or in any other manner whatever; however, in determining the class, consideration may be given to the nature of the risk, the plan of insurance, the actual or expected expense of conducting the business, or any other relevant factor.
- (C) Excessive or inadequate charges for premiums, policy fees, assessments, or rates, or making or permitting any unfair discrimination between persons of the same class involving essentially the same hazards, in the amount of premiums, policy fees, assessments, or rates charged or made for:
 - (i) policies or contracts of reinsurance or joint reinsurance, or abstract and title insurance;
 - (ii) policies or contracts of insurance against loss or damage to aircraft, or against liability arising out of the ownership, maintenance, or use of any aircraft, or of vessels or craft, their cargoes, marine builders' risks, marine protection and indemnity, or other risks commonly insured under marine, as distinguished from inland marine, insurance; or
 - (iii) policies or contracts of any other kind or kinds of insurance whatsoever.

However, nothing contained in clause (C) shall be construed to apply to any of the kinds of insurance referred to in clauses (A) and (B) nor to reinsurance in relation to such kinds of insurance. Nothing in clause (A), (B), or (C) shall be construed as making or permitting any excessive, inadequate, or unfairly discriminatory charge or rate or any charge or rate determined by the department or commissioner to meet the requirements of any other insurance rate regulatory law of this state.

(8) Except as otherwise expressly provided by law, knowingly permitting or offering to make or making any contract or policy of insurance of any kind or kinds whatsoever, including but not in limitation, life annuities, or agreement as to such contract or policy other than as plainly expressed in such contract or policy issued thereon, or paying or allowing, or giving or offering to pay, allow, or give, directly or indirectly, as inducement to such insurance, or annuity, any rebate of premiums payable on the contract, or any special favor or advantage in the dividends, savings, or other benefits thereon, or any valuable consideration or inducement whatever not specified in the contract or policy; or giving, or selling, or purchasing or offering to give, sell, or purchase as inducement to such insurance or annuity or in connection therewith, any stocks, bonds, or other securities of any insurance company or other corporation, association, limited liability company, or partnership, or any dividends, savings, or profits accrued thereon, or anything of value whatsoever not specified in the contract. Nothing in this subdivision and subdivision (7) shall be construed as including

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within the definition of discrimination or rebates any of the following practices:

- (A) Paying bonuses to policyholders or otherwise abating their premiums in whole or in part out of surplus accumulated from nonparticipating insurance, so long as any such bonuses or abatement of premiums are fair and equitable to policyholders and for the best interests of the company and its policyholders.
- (B) In the case of life insurance policies issued on the industrial debit plan, making allowance to policyholders who have continuously for a specified period made premium payments directly to an office of the insurer in an amount which fairly represents the saving in collection expense.
- (C) Readjustment of the rate of premium for a group insurance policy based on the loss or expense experience thereunder, at the end of the first year or of any subsequent year of insurance thereunder, which may be made retroactive only for such policy year.
- (D) Paying by an insurer or agent thereof duly licensed as such under the laws of this state of money, commission, or brokerage, or giving or allowing by an insurer or such licensed agent thereof anything of value, for or on account of the solicitation or negotiation of policies or other contracts of any kind or kinds, to a broker, agent, or solicitor duly licensed under the laws of this state, but such broker, agent, or solicitor receiving such consideration shall not pay, give, or allow credit for such consideration as received in whole or in part, directly or indirectly, to the insured by way
- (9) Requiring, as a condition precedent to loaning money upon the security of a mortgage upon real property, that the owner of the property to whom the money is to be loaned negotiate any policy of insurance covering such real property through a particular insurance agent or broker or brokers. However, this subdivision shall not prevent the exercise by any lender of its or his right to approve or disapprove of the insurance company selected by the borrower to underwrite the insurance.
- (10) Entering into any contract, combination in the form of a trust or otherwise, or conspiracy in restraint of commerce in the business of insurance.
- (11) Monopolizing or attempting to monopolize or combining or conspiring with any other person or persons to monopolize any part of commerce in the business of insurance. However, participation as a member, director, or officer in the activities of any nonprofit organization of agents or other workers in the insurance business shall not be interpreted, in itself, to constitute a combination in restraint of trade or as combining to create a monopoly as provided in this subdivision and subdivision (10). The enumeration in this chapter of specific unfair methods of competition and unfair or deceptive acts and practices in the business of insurance is not exclusive or restrictive or intended to limit the powers of the commissioner or department or of any court of review under section 8 of this
- (12) Requiring as a condition precedent to the sale of real or personal property under any contract of sale, conditional sales contract, or other similar instrument or upon the security of a chattel mortgage, that the buyer of such property negotiate any policy of insurance covering such property through a particular insurance company, agent, or broker or brokers. However, this subdivision shall not prevent the exercise by any seller of such property or the one making a loan thereon, of his, her, or its right to approve or disapprove of the insurance company selected by the buyer to underwrite the insurance.
- (13) Issuing, offering, or participating in a plan to issue or offer, any policy or certificate of insurance of any kind or character as an inducement to the purchase of any property, real, personal, or mixed, or services of any kind, where a charge to the insured is not made for and on account of such policy or certificate of insurance. However, this subdivision shall not apply to any of the following:

- (A) Insurance issued to credit unions or members of credit unions in connection with the purchase of shares in such credit unions.
- (B) Insurance employed as a means of guaranteeing the performance of goods and designed to benefit the purchasers or users of such goods.
- (C) Title insurance.
- (D) Insurance written in connection with an indebtedness and intended as a means of repaying such indebtedness in the event of the death or disability of the insured.
- (E) Insurance provided by or through motorists service clubs or associations.
- (F) Insurance that is provided to the purchaser or holder of an air transportation ticket and that:
 - (i) insures against death or nonfatal injury that occurs during the flight to which the ticket relates;
 - (ii) insures against personal injury or property damage that occurs during travel to or from the airport in a common carrier immediately before or after the flight;
 - (iii) insures against baggage loss during the flight to which the ticket relates; or
 - (iv) insures against a flight cancellation to which the ticket relates.
- (14) Refusing, because of the for-profit status of a hospital or medical facility, to make payments otherwise required to be made under a contract or policy of insurance for charges incurred by an insured in such a for-profit hospital or other for-profit medical facility licensed by the state department of
- (15) Refusing to insure an individual, refusing to continue to issue insurance to an individual, limiting the amount, extent, or kind of coverage available to an individual, or charging an individual a different rate for the same coverage, solely because of that individual's blindness or partial blindness, except where the refusal, limitation, or rate differential is based on sound actuarial principles or is related to actual or reasonably anticipated experience.
- (16) Committing or performing, with such frequency as to indicate a general practice, unfair claim settlement practices (as defined in section 4.5 of this chapter).
- (17) Between policy renewal dates, unilaterally canceling an individual's coverage under an individual or group health insurance policy solely because of the individual's medical or physical condition.
- (18) Using a policy form or rider that would permit a cancellation of coverage as described in subdivision (17). (19) Violating IC 27-1-22-25 or IC 27-1-22-26 concerning
- motor vehicle insurance rates
- (20) Violating IC 27-8-21-2 concerning advertisements referring to interest rate guarantees.
- (21) Violating IC 27-8-24.3 concerning insurance and health plan coverage for victims of abuse.
- (22) Violating IC 27-8-26 concerning genetic screening or
- (23) Violating IC 27-1-15.6-3(b) concerning licensure of insurance producers.
- (24) Violating IC 27-2-21 concerning use of credit information in underwriting of property and casualty insurance.

SECTION 4. IC 34-30-2-111.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: IC 27-2-21-19 (Concerning the liability of insurance producers in actions arising from the use of credit information by an insurer).

(Reference is to HB 1164 as printed January 24, 2002.)

CROOKS

Motion prevailed. The bill was ordered engrossed.

House Bill 1196

Representative Bauer called down House Bill 1196 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1196–4)

Mr. Speaker: I move that House Bill 1196 be amended to read as follows:

Page 62, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 54. IC 6-9-2.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 1. This chapter applies to a county having a population of more than one hundred sixty seventy thousand (160,000) (170,000) but less than two one hundred eighty thousand (200,000). (180,000).

SECTION 55. IC 6-9-2.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 6. (a) The county council may levy tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, tourist camp, or tourist cabin located in a county described in section 1 of this chapter. Such tax shall not exceed the rate of five six percent (5%) (6%) on the gross income derived from lodging income only and shall be in addition to the state gross retail tax imposed on such persons by IC 6-2.5.

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

- (c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross income" shall have the same meaning in this section as they have in IC 6-2.5. If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule or regulation, determine.
- (d) If the tax is paid to the department of state revenue, the amounts received from such tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.
- (e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

SECTION 56. IC 6-9-2.5-7, AS AMENDED BY P.L.208-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 7. (a) The county treasurer shall establish a convention and visitor promotion fund.

(b) The county treasurer shall deposit the following in the convention and visitor promotion fund:

(1) Before January 1, 2000:

(A) All of the money received under section 6 of this chapter, if the rate set under section 6 of this chapter is not greater than two percent (2%).

(B) The amount of money received under section 6 of this chapter that is generated by a two percent (2%) rate, if the rate set under section 6 of this chapter is at least two percent (2%)

- (2) After December 31, 1999, and before January 1, 2003, the amount of money received under section 6 of this chapter that is generated by a two percent (2%) rate.
- (3) After December 31, 2002, the amount of money received under section 6 of this chapter that is generated by a two and one-half percent (2.5%) rate.

(c) Money in this fund shall be expended only as provided in this chapter.

(d) The commission may transfer money in the convention and visitor promotion fund to any Indiana nonprofit corporation for the purpose of promotion and encouragement in the county of conventions, trade shows, visitors, or special events. The commission may transfer money under this section only after approving the transfer. Transfers shall be made quarterly or less frequently under this section.

SECTION 57. IC 6-9-2.5-7.5, AS AMENDED BY P.L.208-1999, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 7.5. (a) The county treasurer shall establish a tourism capital improvement fund.

(b) The county treasurer shall deposit money in the tourism capital improvement fund as follows:

(1) Before January 1, 2000, if the rate set under section 6 of this chapter is greater than two percent (2%), the county treasurer shall deposit in the tourism capital improvement fund an amount equal to the money received under section 6 of this chapter minus the amount generated by a two percent (2%) rate. (2) After December 31, 1999, and before January 1, 2006,

2003, the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a one percent (1%) rate.

(3) After December 31, 2002, and before January 1, 2006, the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a one and one-half percent (1.5%) rate.

(4) After December 31, 2005, the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a three and one-half percent (3%) (3.5%) rate.

(c) The commission may transfer money in the tourism capital improvement fund to:

(1) the county government, a city government, or a separate body corporate and politic in a county described in section 1 of this chapter; or

(2) any Indiana nonprofit corporation;

for the purpose of making capital improvements in the county that promote conventions, tourism, or recreation. The commission may transfer money under this section only after approving the transfer. Transfers shall be made quarterly or less frequently under this section."

Renumber all SECTIONS consecutively.

(Reference is to HB 1196 as printed January 31, 2002.)

HASLER

Motion prevailed.

HOUSE MOTION (Amendment 1196–5)

Mr. Speaker: I move that House Bill 1196 be amended to read as follows:

Page 74, line 37, delete "A" and insert "Except as provided in subsection (d), a".

Page 75, line 22, after "of" insert ":

(1)".

Page 75, line 23, delete "," and insert "; or

(2) more than ninety thousand (90,000) but less than one hundred five thousand (105,000);".

Page 75, line 23, beginning with "a" begin a new line blocked left. Page 75, line 25, delete "A" and insert "Except as provided in subsection (d), a".

Page 75, between lines 32 and 33, begin a new paragraph and insert:

"(d) In a city having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000), the designating body may designate only one (1) facility as part of a tax area. The facility designated as part of the tax area may not be a facility described in subsection (a)(1)."

Page 76, line 5, after "of" insert ":

 (\mathbf{A}) ".

Page 76, line 7, delete "," and insert "; or

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(B) more than ninety thousand (90,000) but less than one hundred five thousand (105,000);".

Page 76, line 7, beginning with "there" begin a new line block

Page 76, between lines 22 and 23, begin a new line block indented and insert:

"(3) For a tax area in a city having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000), there is a capital improvement that will be undertaken or has been undertaken in the tax area for a facility that is used for any purpose specified in section 8(a)(2) of this chapter.".

Page 76, line 23, delete "(3)" and insert "(4)"

Page 76, line 26, delete "(4)" and insert "(5)".

Page 77, line 19, after "of" insert ":

(A)".

Page 77, line 21, delete "," and insert "; or (B) more than ninety thousand (90,000) but less than one hundred five thousand (105,000);".

Page 77, line 21, beginning with "a" begin a new line block indented.

Page 77, between lines 39 and 40, begin a new line block indented and insert:

"(3) In a city having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000), a capital improvement that will construct or equip a facility owned by the city, the county, or a board under IC 36-9-13, IC 36-10-8, IC 36-10-10, or IC 36-10-11 and used for any purpose specified in section 8(a)(2) of this chapter.".

Page 77, line 40, delete "(3)" and insert "(4)".
Page 77, line 41, after "(1)" insert ",".
Page 77, line 41, delete "or (2)" and insert "(2), or (3)".

Page 77, line 42, after "(1)" insert ",".
Page 78, line 1, delete "or (2)" and insert "(2), or (3)".

(Reference is to HB 1196 as printed January 31, 2002.)

C. BROWN

Motion prevailed.

HOUSE MOTION (Amendment 1196–2)

Mr. Speaker: I move that House Bill 1196 be amended to read as follows:

Page 27, line 13, after "effect" insert ".".

Page 27, line 13, delete "for taxes payable in the year that immediately" and insert "Notwithstanding any other law, the adjusted property tax rate becomes the new maximum property tax rate for the levy for property taxes first due and payable in each year after the general reassessment of property takes effect."

Page 27, delete lines 14 through 16.

Page 27, line 17, reset in roman "new". Page 27, delete line 18.

Page 27, line 19, delete "which the general reassessment of property takes effect"

(Reference is to HB 1196 as printed January 31, 2002.)

TURNER

Upon request of Representatives Turner and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 77: yeas 38, nays 54. Motion failed.

HOUSE MOTION (Amendment 1196–3)

Mr. Speaker: I move that House Bill 1196 be amended to read as

Page 47, line 25, after "attributed" insert "maximum".

Page 49, between lines 30 and 31, begin a new paragraph and

"SECTION 40. IC 6-3.5-1.1-15, AS AMENDED BY P.L.283-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. (a) As used in this section, "attributed **maximum** levy" of a civil taxing unit means

the sum of:

- (1) the civil unit's maximum permissible ad valorem property tax levy of the civil taxing unit that is currently being collected at the time the allocation is made; for the preceding calendar year; plus
- (2) the current **maximum permissible** ad valorem property tax levy for the preceding calendar year of any special taxing district, authority, board, or other entity formed to discharge governmental services or functions on behalf of or ordinarily attributable to the civil taxing unit; plus
- (3) the amount of federal revenue sharing funds and certified shares that were used by the civil taxing unit (or any special taxing district, authority, board, or other entity formed to discharge governmental services or functions on behalf of or ordinarily attributable to the civil taxing unit) to reduce its ad valorem property tax levies below the limits imposed by IC 6-1.1-18.5; plus
- (4) in the case of a county, an amount equal to:
 - (A) the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; plus (B) after December 31, 2002, the greater of zero (0) or the difference between:
 - (i) the county hospital care for the indigent property tax levy imposed by the county in 2002, adjusted each year after 2002 by the statewide average assessed value growth quotient described in IC 12-16-14-3; minus

(ii) the current uninsured parents program property tax levy imposed by the county; plus

- (5) in the case of a county, an amount equal to the county's maximum county family and children property tax levy for the preceding calendar year as determined under IC 6-1.1-18.6.
- (b) As used in this section, "maximum permissible ad valorem property tax levy for the preceding calendar year" has the meaning set forth in IC 6-1.1-18.5-1
- (c) The part of a county's certified distribution that is to be used as certified shares shall be allocated only among the county's civil taxing units. Each civil taxing unit of a county is entitled to receive a percentage of the certified shares to be distributed in the county equal to the ratio of its attributed levy to the total attributed levies of all civil taxing units of the county.
- (c) (d) The local government tax control board established by IC 6-1.1-18.5-11 shall determine the attributed **maximum** levies of civil taxing units that are entitled to receive certified shares during a calendar year. If the ad valorem property tax levy of any special taxing district, authority, board, or other entity is attributed to another civil taxing unit under subsection $\frac{(b)(2)}{(a)(2)}$, then the special taxing district, authority, board, or other entity shall not be treated as having an attributed maximum levy of its own. The local government tax control board shall certify the attributed maximum levy amounts to the appropriate county auditor. The county auditor shall then allocate the certified shares among the civil taxing units of the auditor's county.
- (d) (e) Certified shares received by a civil taxing unit shall be treated as additional revenue for the purpose of fixing its budget for the calendar year during which the certified shares will be received. The certified shares may be allocated to or appropriated for any purpose, including property tax relief or a transfer of funds to another civil taxing unit whose levy was attributed to the civil taxing unit in the determination of its attributed levy.".

Page 57, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 49. IC 6-3.5-6-18, AS AMENDED BY P.L.283-2001, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 18. (a) The revenue a county auditor receives under this chapter shall be used to:

- (1) replace the amount, if any, of property tax revenue lost due to the allowance of an increased homestead credit within the
- county;
- (2) fund the operation of a public communications system and computer facilities district as provided in an election, if any, made by the county fiscal body under IC 36-8-15-19(b);

- (3) fund the operation of a public transportation corporation as provided in an election, if any, made by the county fiscal body under IC 36-9-4-42;
- (4) make payments permitted under IC 36-7-15.1-17.5;
- (5) make payments permitted under subsection (I); and
- (6) make distributions of distributive shares to the civil taxing units of a county.
- (b) The county auditor shall retain from the payments of the county's certified distribution, an amount equal to the revenue lost, if any, due to the increase of the homestead credit within the county. This money shall be distributed to the civil taxing units and school corporations of the county as though they were property tax collections and in such a manner that no civil taxing unit or school corporation shall suffer a net revenue loss due to the allowance of an increased homestead credit.
- (c) The county auditor shall retain the amount, if any, specified by the county fiscal body for a particular calendar year under subsection (I), IC 36-7-15.1-17.5, IC 36-8-15-19(b), and IC 36-9-4-42 from the county's certified distribution for that same calendar year. The county auditor shall distribute amounts retained under this subsection to the county.
- (d) All certified distribution revenues that are not retained and distributed under subsections (b) and (c) shall be distributed to the civil taxing units of the county as distributive shares.
- (e) The amount of distributive shares that each civil taxing unit in a county is entitled to receive during a month equals the product of the following:
 - (1) The amount of revenue that is to be distributed as distributive shares during that month; multiplied by
 - (2) A fraction. The numerator of the fraction equals the total property taxes that are first due and payable to the civil taxing unit the civil taxing unit's maximum permissible property tax levy as determined under IC 6-1.1-18.5 during the calendar year in which the month falls, plus, for a county, the county's maximum county family and children property tax levy as determined under IC 6-1.1-18.6 during the calendar year in which the month falls, plus an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund, and after December 31, 2002, the greater of zero (0) or the difference between the county hospital care for the indigent property tax levy imposed by the county in 2002, adjusted each year after 2002 by the statewide average assessed value growth quotient described in IC 12-16-14-3, minus the current uninsured parents program property tax levy imposed by the county. The denominator of the fraction equals the sum of the total property taxes that are first due and payable to maximum permissible property tax levies under IC 6-1.1-18.5 and IC 6-1.1-18.6 all civil taxing units of the county during the calendar year in which the month falls, plus an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund, and after December 31, 2002, the greater of zero (0) or the difference between the county hospital care for the indigent property tax levy imposed by the county in 2002, adjusted each year after 2002 by the statewide average assessed value growth quotient described in IC 12-16-14-3, minus the current uninsured parents program property tax levy imposed by the county.
- (f) The state board of tax commissioners shall provide each county auditor with the fractional amount of distributive shares that each civil taxing unit in the auditor's county is entitled to receive monthly under this section.
- (g) Notwithstanding subsection (e), if a civil taxing unit of an adopting county does not impose a property tax levy that is first due and payable in a calendar year in which distributive shares are being distributed under this section, that civil taxing unit is entitled to receive a part of the revenue to be distributed as distributive shares under this section within the county. The fractional amount such a civil taxing unit is entitled to receive each month during that calendar year equals the product of the following:

- (1) The amount to be distributed as distributive shares during that month; multiplied by
- (2) A fraction. The numerator of the fraction equals the budget of that civil taxing unit for that calendar year. The denominator of the fraction equals the aggregate budgets of all civil taxing units of that county for that calendar year.
- (h) If for a calendar year a civil taxing unit is allocated a part of a county's distributive shares by subsection (g), then the formula used in subsection (e) to determine all other civil taxing units' distributive shares shall be changed each month for that same year by reducing the amount to be distributed as distributive shares under subsection (e) by the amount of distributive shares allocated under subsection (g) for that same month. The state board of tax commissioners shall make any adjustments required by this subsection and provide them to the appropriate county auditors.
- (i) Notwithstanding any other law, a county fiscal body may pledge revenues received under this chapter to the payment of bonds or lease rentals to finance a qualified economic development tax project under IC 36-7-27 in that county or in any other county if the county fiscal body determines that the project will promote significant opportunities for the gainful employment or retention of employment of the county's residents."

Renumber all SECTIONS consecutively.

(Reference is to HB 1196 as printed January 31, 2002.)

THOMPSON

Upon request of Representatives Thompson and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 78: yeas 41, nays 49. Motion failed. The bill was ordered engrossed.

House Bill 1202

Representative Robertson called down House Bill 1202 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1202–2)

Mr. Speaker: I move that House Bill 1202 be amended to read as follows:

Page 5, line 6, after "may" insert "suspend or".

Page 5, line 11, after "each" insert "suspension or".

Page 5, line 12, reset in roman "(b)".

(Reference is to HB 1202 as printed February 1, 2002.)

ROBERTSON

Motion prevailed.

HOUSE MOTION (Amendment 1202–1)

Mr. Speaker: I move that House Bill 1202 be amended to read as follows:

Page 3, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 2. IC 20-5-2-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2.5. After June 30, 2002, the governing body of a school corporation may not:

(1) enter into a contract for; or

(2) allow;

the sale of beverages with minimal nutritional value from vending machines in areas of school grounds or buildings to which students in kindergarten through grade 8 have access."

Page 12, after line 38, begin a new paragraph and insert:

"SECTION 12. [EFFECTIVE JULY 1, 2002] IC 20-5-2-2.5, as added by this act, does not apply to a contract that was executed before July 1, 2002, and that is in existence on July 1, 2002, that requires a governing body to allow the sale of beverages with minimal nutritional value from vending machines in areas of school grounds or buildings to which students in kindergarten through grade 8 have access. However, the governing body may not renew a contract described in this SECTION and, after the contract expires, must comply with IC 20-5-2-2.5, as added by this act."

Renumber all SECTIONS consecutively.

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(Reference is to HB 1202 as printed February 1, 2002.

FRIEND

Motion prevailed. The bill was ordered engrossed.

House Bill 1214

Representative Budak called down House Bill 1214 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1214–1)

Mr. Speaker: I move that House Bill 1214 be amended to read as follows:

Page 1, line 10, delete "." and insert "for a total of no more than twelve meetings.".

Page 1, between lines 16 and 17, begin a new paragraph and insert:

"(b) The board shall consider the regulation of preschools." Page 1, line 17, delete "(b)" and insert "(c)".

(Reference is to HB 1214 as printed January 30, 2002.)

BUDAK

Motion prevailed. The bill was ordered engrossed.

House Bill 1220

Representative T. Adams called down House Bill 1220 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1220–1)

Mr. Speaker: I move that House Bill 1220 be amended to read as follows:

Page 2, line 21, after "state," insert "a state educational institution (as defined by IC 20-12-0.5-1),".

Page 2, line 22, delete "unit as defined in IC 36-1-2-23" and insert "county, city (as defined by IC 36-1-2-3), town (as defined by IC 36-1-2-21), or township (as defined by IC 36-1-2-22)".

Page 2, line 23, delete "state or".

Page 2, line 23, strike "that" and insert "state,".

Page 2, line 23, after "corporation" insert ",".

Page 2, line 23, delete "or unit" and insert "state educational institution, county, city, town, or township".

Page 3, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 2. IC 20-7.5-1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. The school employer shall, on receipt of the written authorization of a school employee, deduct from the pay of such employee any dues **or assessments** designated or certified by the appropriate officer of a school employee organization which is an exclusive representative of any employees of the school employer and shall remit such dues to such school employee organization; however, such deductions shall be consistent with the provisions of IC 22-2-6 and IC 22-2-7, and IC 20-6.1-5-11.

SECTION 3. IC 20-7.5-1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14. Strikes.

- (a) It shall be unlawful for any school employee, school employee organization, or any affiliate, including but not limited to state or national affiliates thereof, to take part in or assist in a strike against a school employer or school corporation.
- (b) Any school corporation or school employer may, in an action at law, suit in equity, or other proper proceeding, take action against any school employee organization, any affiliate thereof, or any person aiding or abetting in a strike, for redress of such unlawful act.
- (c) Where When any exclusive representative engages in a strike, or aids or abets therein, the school employer or school corporation may petition a circuit or superior court in:
 - (1) the county in which the violation has occurred; or
 - (2) Marion County;

for remedy against the exclusive representative. The exclusive remedy against the exclusive representative, including remedy for violations of IC 34-47, it shall lose is loss of its dues deduction privilege for a period of one (1) year.

(d) No regulation, rule or law with respect to the minimum length of a school year shall be applicable or shall require make-up days in any situation where schools in a school corporation are closed as a result of a school employee strike. A school corporation shall not pay any school employee for any day when the school employee fails as a result of a strike to report for work as required by the school year calendar.".

Page 3, line 23, delete "STATE".

Page 3, line 24, delete "AND".

Page 3, line 24, delete "SAFETY".

Page 3, line 25, delete "Collective Bargaining for State and Public Safety".

Page 3, line 26, delete "Employees:".

Page 4, line 2, delete "the full-time employees or" and insert" a class or group of jobs or positions that are held by employees of employers as defined in section 9 of this chapter whose collective interests may be suitably represented by an employee organization for collective bargaining.

Sec. 4. "Board" refers to the public employees relations board established by IC 22-6.5-2-1.".

Page 4, delete lines 3 through 12.

Page 4, line 15, delete "IC 22-6.5-3" and insert "IC 22-6.5-4".

Page 4, delete lines 16 through 17, begin a new paragraph and insert:

"Sec. 6. "Confidential employee" means an employee:

- (1) who works in the personnel office of the employer;
- (2) who has access to confidential or discretionary information that may be used by the employer in negotiating a collective bargaining agreement under this article;
- (3) who works in a close and continuing working relationship with:
 - (A) an individual holding elective office; or
 - (B) individuals who represent the employer in negotiations under this article;

(4) whose:

- (A) functional responsibilities; or
- (B) knowledge;

concerning employee relations makes the employee's membership in an employee organization incompatible with the employee's duties; or

(5) who is a personal secretary of:

- (A) the chief administrative or executive officer of an agency;
- (B) a deputy or an assistant to the chief administrative or executive officer of an agency; or

(C) an individual holding elected office.

- Sec. 7. "Eligible political subdivision" means the following:
 - (1) A county, city, town, or township (all as defined in IC 36-1-2).
 - (2) A school corporation (as defined in IC 20-10.1-1-1) regarding the school corporation's noncertificated employees (as defined in IC 20-7.5-1-2(g)).

Sec. 8. "Employee" means an individual who is employed by an employer, unless the individual is any of the following:

- (1) An intermittent, a temporary, or a student employee.
- (2) A member of a board or commission.

(3) A confidential employee.(4) A supervisor.

- (5) A managerial employee.
- (6) A patient or resident of a state institution.
- (7) An individual in the custody of the department of correction.
- (8) The chief administrative or executive officer of an agency.
- (9) An attorney whose responsibilities include the providing of legal advice or the performance of legal research.
- (10) A physician or a dentist.
- (11) An administrative law judge.
- (12) An individual who performs internal investigations.
- (13) A neutral.

(14) An employee of an eligible political subdivision as defined in section 7 of this chapter who is not included for coverage under this article under the terms of an ordinance or a resolution adopted under IC 5-27-3-2.

(15) A local public safety officer.

- (16) A professional employee of the department of commerce who participates in economic development matters.
- (17) A certificated employee of a school corporation as defined in IC 20-7.5-1-2(f)."

Page 4, line 18, delete "7." and insert "9.".

Page 4, line 27, delete "8." and insert "10. (a)".

Page 4, delete lines 28 through 34, begin a new line block indented and insert:

"(1) The executive branch.

- (2) A state educational institution (as defined by IC 20-12-0.5-1).
- (3) An eligible political subdivision.

(b) The term does not include any of the following:

- (1) The senate, the house of representatives, the legislative services agency, or any commission or agency of the legislative department of the state.
- (2) The judicial department of government, including any commission or agency of the judicial department.
- (3) A school corporation, as to the school corporation's certificated employees.
- (4) Unless specifically included under section 11 of this chapter, the office of an individual holding an elected office.

(5) Bodies corporate and politic.

(6) The budget agency.

(7) Uniformed members of the national guard.

(8) The state personnel department.

- (9) The public employees relations board.
- (10) The education employment relations board.

(11) The state board of accounts.".

Page 4, line 35, delete "9." and insert "11.".

Page 4, line 37, delete "IC 22-6.5-2" and insert "IC 22-6.5-3".

Page 4, between lines 39 and 40, begin a new paragraph and insert:

"Sec. 12. "Executive branch" means the agencies (as defined in IC 4-22-2-3) under the direct authority of the governor.

- Sec. 13. "Impasse" means the failure of the employer and an exclusive bargaining representative to reach agreement during the course of negotiations.
 - Sec. 14. "Managerial employee" means an individual who is: (1) engaged predominantly in executive and management
 - functions; or (2) charged with the responsibility of directing the effectuation of management policies and practices.
- Sec. 15. "Mediation" means assistance by an impartial third party to reconcile an impasse through persuasion, suggestion, and advice.

Sec. 16. "Neutral" includes the following:

- (1) Factfinder.
- (2) Arbitrator.
- (3) Mediator."

Page 4, line 40, delete "10." and insert "17.".

Page 4, line 42, delete "11." and insert "18.".

Page 5, line 2, delete "or".

Page 5, line 4, delete "." and insert "; or".

Page 5, between lines 4 and 5, begin a new line block indented and insert

"(4) refusal to report to duty.

Sec. 19. "Supervisor" means an individual having authority in the interest of the employer to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or responsibly to direct them, or to adjust their grievances, or effectively to recommend such action, if, in connection with the foregoing, the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment.

Sec. 20. "Temporary employee" means an individual who is

employed in a temporary position for not more than ninety (90) days.".

Page 5, between lines 4 and 5, begin a new paragraph and insert: "Chapter 2. Public Employees Relations Board

Sec. 1. The public employees relations board is established.

- Sec. 2. (a) The board has five (5) members who are appointed by the governor. Not more than three (3) members may be members of the same political party.
 - (b) A board member may not:
 - (1) be a representative of or be employed by an employee organization or an affiliate of an employee organization; or

(2) hold any other public office.

(c) The term of each member is four (4) years. Sec. 3. A vacancy on the board shall be filled by the governor. Sec. 4. (a) The governor shall designate a member of the board

to serve as the chairperson. The chairperson:

- (1) shall serve as the full time director; and
- (2) must possess educational credentials and experience in labor relations matters as a prerequisite to designation as chairperson.
- (b) The chairperson shall give full time to the chairperson's duties. The chairperson of the board shall not engage in any other business, vocation, or employment.
- Sec. 5. (a) Each member of the board is entitled to compensation as fixed by the state personnel director, subject to the approval of the budget agency.
- (b) Each member of the board is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in state policies and procedures established by the Indiana department of administration and approved by the budget agency.
- Sec. 6. A majority of the members appointed to the board constitutes a quorum.

Sec. 7. The board shall do the following:

- (1) Process and make determinations concerning prohibited practices complaints under IC 22-6.5-5-35 and IC 22-6.5-5-36.
- (2) Provide impasse services.
- (3) Provide research services.
- (4) Process and make determinations concerning bargaining unit and representation matters under this article.
- (5) Establish the qualifications of neutrals after consultation with the designated representatives of the employer and the exclusive bargaining representatives.
- (6) Maintain a register of neutrals for use by the employer and exclusive bargaining representatives drawn from a nationwide pool of qualified neutrals.
- (7) Enforce its own decisions and determinations according to IC 4-21.5.

Sec. 8. The board may do the following:

- (1) Appoint staff (including attorneys who may represent the board in legal proceedings) subject to IC 4-15-2, necessary for the performance of the board's duties. However, the staff director and chief counsel for the board are not subject to IC 4-15-2.
- (2) Adopt rules under IC 4-22-2 to carry out this article.
- (3) Use full-time employees or establish a panel of individuals to provide mediation services.
- (4) Contract for the services of private legal counsel to represent the board in legal proceedings.
- (5) Contract for the services of other professionals.
- (6) Designate a board member or other individuals as administrative law judges.
- (7) Use the services of volunteers.
- (8) Issue subpoenas and subpoenas duces tecum.
- (9) Hold hearings.
- (10) Do all things necessary to carry out this article.
- Sec. 9. Parties negotiating collective bargaining agreements under this article shall use the register of neutrals maintained by the board, unless the parties agree to use another list of neutrals.

If the board list is used to appoint an arbitrator, the parties shall determine by lot which party will first delete a name from the list. The parties shall continue by alternately deleting names until one (1) neutral is selected.".

Page 5, line 5, delete "2." and insert "3.". Page 5, line 5, delete "State and".

Page 5, line 5, delete "Safety".

Page 5, line 7, after "state" insert "executive branch, state educational institutions,".

Page 5, line 7, delete "all units (as defined)" and insert "eligible political subdivisions.".

Page 5, delete line 8.

Page 5, line 11, delete "IC 20-7.5-1-9." and insert "IC 22-6.5-2-8.".

Page 5, line 35, delete "a unit," and insert "an eligible political subdivision,"

Page 5, line 36, delete "police department or the fire department," or both." and insert "eligible political subdivision.".

Page 5, line 37, after "state," insert "a school corporation, or a state educational institution,".

Page 5, line 38, delete "state." and insert "state, school corporation, or state educational institution.".

Page 6, line 35, after "the" insert "bargaining"

Page 8, line 7, delete "IC 22-6.5-3-13" and insert "IC 22-6.5-4-13".

Page 8, line 7, delete "IC 22-6.5-3-23" insert "IC 22-6.5-4-23".

Page 8, between lines 40 and 41, begin a new line block indented and insert:

(5) Maintenance of membership.".

Page 9, line 24, delete "IC 22-6.5-3" and insert "IC 22-6.5-4". Page 9, line 25, delete "IC 22-6.5-5." and insert "IC 22-6.5-6.". Page 9, line 39, delete "IC 36-11-3." and insert "IC 22-6.5-4.". Page 10, line 5, delete "IC 22-6.5-3" and insert "IC 22-6.5-4". Page 10, line 6, delete "IC 22-6.5-5." and insert "IC 22-6.5-6.". Page 10, line 11, delete "IC 22-6.5-3" and insert "IC 22-6.5-6.".

Page 10, line 11, delete "IC 22-6.5-5;" and insert "IC 22-6.5-6;" Page 10, line 21, delete "IC 22-6.5-3" and insert "IC 22-6.5-4".

Page 10, line 22, delete "IC 22-6.5-5." and insert "IC 22-6.5-6".

Page 10, line 29, delete "3." and insert "4.".

Page 10, line 29, delete "State and".

Page 10, line 29, delete "Safety".

Page 10, line 31, delete "units." and insert "employers as defined in IC 22-6.5-1".

Page 11, line 28, delete "IC 22-6.5-2" and insert "IC 22-6.5-3".

Page 11, line 29, delete "IC 22-6.5-4," and insert "IC 22-6.5-5".

Page 11, line 29, delete "IC 22-6.5-5" and insert "IC 22-6.5-6". Page 12, line 21, delete "IC 22-6.5-2-6" and insert "IC 22-6.5-3-6".

Page 12, line 21, delete "IC 22-6.5-2-15" and insert "IC 22-6.5-3-15".

Page 12, line 39, delete "under" and insert "of".

Page 12, line 40, delete "IC 22-6.5-1-3(3)" and insert "IC 22-6.5-1-10(a)(1)"

Page 13, line 42, delete "4." and insert "5.".

Page 13, line 42, delete "State and".

Page 13, line 42, delete "Safety".

Page 15, line 6, delete "fact" and insert "**neutrals**".

Page 15, line 7, before "or" delete "finders".

Page 15, line 7, after "part time" delete "fact finders" and insert "neutrals'

Page 15, line 8, delete "IC 20-7.5-1-13" and insert "IC 22-6.5-2-7".

Page 18, line 37, delete "IC 22-6.5-2" and insert "IC 22-6.5-3". Page 18, line 38, delete "IC 22-6.5-2" and insert "IC 22-6.5-3".

Page 18, line 42, delete "unit (as defined in IC 36-1-2-23)," and insert "county, city (as defined by IC 36-1-2-3), town (as defined by IC 36-1-2-21), or township (as defined by IC 36-1-2-22),".

Page 19, line 7, delete "unit" and insert "county, city, town, or

Page 19, line 15, delete "unit (as defined in" and insert "county,

city, town, or township".

Page 19, line 16, delete "IC 36-1-2-23)".

Page 19, line 26, delete "unit" and insert "county, city, town, or

Page 20, line 10, delete "business;" and insert "business or conducts governmental affairs;"

Page 20, line 12, delete "5." and insert "6.". Page 20, line 12, delete "State and".

Page 20, line 12, delete "Safety".

Page 20, line 14, delete "state and all units (as defined in" and insert "employers set forth in".

Page 20, line 15, delete "IC 36-1-2-23)." and insert "IC 22-6.5-1).".

Page 20, line 16, delete "IC 22-6.5-2" and insert "IC 22-6.5-3".

Page 20, line 16, delete "IC 22-6.5-4" and insert "IC 22-6.5-5".

Page 20, line 19, delete "IC 22-6.5-2" and insert "IC 22-6.5-3".

Page 20, line 19, delete "IC 22-6.5-4" and insert "IC 22-6.5-5". Page 20, line 20, delete "IC 22-6.5-2" and insert "IC 22-6.5-3".

Page 20, line 21, delete "IC 22-6.5-4" and insert "IC 22-6.5-5".

Page 21, after line 1, begin a new paragraph and insert:

"SECTION 7. [EFFECTIVE JULY 1, 2002] 105 IAC 6-3 does not apply to an individual who is a member of a collective bargaining unit that has entered into a collective bargaining agreement under IC 22-6.5 for complaints arising while the agreement is in force.

SECTION 8. [EFFECTIVE UPON PASSAGE] For bargaining units created under Executive Order 90-6 and extended under Executive Order 97-8, assignments of employees to those units are considered to be made by the state personnel director upon passage of this act.

SECTION 9. [EFFECTIVE UPON PASSAGE] Notwithstanding IC 22-6.5, as added by this act, an employee organization that is certified in an election by the public employees relations board created by Executive Order 90-6 and extended under Executive Order 97-8 as the exclusive negotiating organization for a bargaining unit shall be granted recognition as the exclusive bargaining representative for that unit.

SECTION 10. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 22-6.5-2-2, as added by this act, the terms of the persons initially appointed to the public employees relations board shall be as follows:

- (1) Two (2) members appointed for a term of one (1) year.
- (2) One (1) member appointed for a term of two (2) years.
- (3) One (1) member appointed for a term of three (3) years.
- (4) One (1) member appointed for a term of four (4) years.

(b) The governor shall make the initial appointments to the public employees relations board by July 1, 2002.

(c) This SECTION expires July 1, 2003.

SÉCTION 11. [EFFECTIVE UPON PASSAGE] (a) The public employees relations board established by IC 22-65-2, as added by this act, shall carry out the board's duties under this act under interim written guidelines approved by the governor.

(b) This SECTION expires on the earlier of:

(1) the date rules are adopted under IC 22-6.5-2-8(2); or

(2) January 1, 2004.

SECTION 12. An emergency is declared for this act.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1220 as printed January 30, 2002.)

T. ADAMS

The Speaker ordered a division of the House and appointed Representatives Kruzan and Bosma to count the yeas and nays. Yeas 51, nays 43. Motion prevailed. The bill was ordered engrossed.

House Bill 1230

Representative Whetstone called down House Bill 1230 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1230–1)

Mr. Speaker: I move that House Bill 1230 be amended to read as

Page 1, between the enacting clause and line 1, begin a new

paragraph and insert:

"SECTION 1. IC 36-4-3-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.5. For purposes of this chapter, territory sought to be annexed may be considered "contiguous" only if at least one-eighth (1/8) of the aggregate external boundaries of the territory coincides with the boundaries of the annexing municipality. In determining if a territory is contiguous:

(1) a strip of land less than one hundred fifty (150) feet wide which connects the annexing municipality to the territory; or

(2) an area within the municipality that is classified for zoning purposes as agriculture;

is not considered a part of the boundaries of either the municipality or the territory.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1230 as printed January 31, 2002.)

MOCK

Motion failed.

HOUSE MOTION (Amendment 1230–2)

Mr. Speaker: I move that House Bill 1230 be amended to read as follows:

Page 3, after line 1, begin a new paragraph and insert:

"SECTION 2. IC 36-4-3-15.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15.1. (a) This section applies to an annexation that is initiated by a municipality under this chapter and either:

- (1) the later of the:
 - (A) judgment of the circuit or superior court; or
- (B) final disposition of all appeals to a higher court; is adverse to annexation; or
- (2) the municipality abandons the annexation.
- (b) The circuit or superior court having jurisdiction over the annexation shall order the municipality that initiated the annexation to reimburse the owner or owners of the property within the area proposed to be annexed an amount sufficient to reimburse the owner or owners of property for reasonable:
 - (1) costs:
 - (2) expenses;
 - (3) attorney's fees;
 - (4) appraisal fees; and
 - (5) engineering fees;

actually incurred because of the annexation proceedings.".

(Reference is to HB 1230 as printed January 31, 2002.)

MOCK

Upon request of Representatives Mock and Pond, the Speaker ordered the roll of the House to be called. Roll Call 79: yeas 53, nays 39. Motion prevailed.

Representative Whetstone withdrew the call of House Bill 1230.

House Bill 1232

Representative L. Lawson called down House Bill 1232 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1232–2)

Mr. Speaker: I move that House Bill 1232 be amended to read as follows:

Page 11, line 28, after "member" insert "without legal justification".

Page 11, line 30, after "harm" insert "without legal justification". Page 13, line 13, strike "domestic battery conviction;" and insert "crime involving domestic or family violence;".

Page 16, line 19, delete "domestic battery conviction;" and insert "crime involving domestic or family violence;".

Page 27, line 1, after "in" insert "reading or".

Page 27, line 2, delete "," and insert ".".

Page 27, line 2, delete "including information about the:".

Page 27, delete lines 3 through 6.

Page 27, line 8, delete "chapter" and insert "**section**".

Page 29, delete lines 29 and 30.

Page 29, line 31, delete "(7)" and insert "(6)".

Page 30, line 19, after "protection" insert "unless another date is ordered by the court".

Page 31, line 23, after "protection" insert "unless another date is ordered by the court".

Page 39, delete lines 34 through 40.

Page 40, reset in roman lines 16 through 18.

Page 40, line 28, delete "A law enforcement officer shall arrest a person when the".

Page 40, delete lines 29 through 30.

Page 40, delete "(c)".

Page 40, run in lines 28 through 31.

Page 42, line 30, after "hours" insert "(excluding Saturdays, Sundays, and legal holidays)".

Renumber all SECTIONS consecutively.

(Reference is to HB 1232 as printed January 31, 2002.)

D. YOUNG

Motion prevailed. The bill was ordered engrossed.

House Bill 1245

Representative D. Young called down House Bill 1245 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1245–2)

Mr. Speaker: I move that House Bill 1245 be amended to read as follows:

Page 5, line 31, after "enforceable" insert "before, on, or".

Page 5, line 31, delete "June 30, 2002" and insert "**July 1, 2002**". (Reference is to HB 1245 as printed January 30, 2002, 2002.)

D. YOUNG

Motion prevailed. The bill was ordered engrossed.

House Bill 1235

Representative Moses called down House Bill 1235 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1235–1)

Mr. Speaker: I move that House Bill 1235 be amended to read as follows:

Page 1, line 12, after "requirements" insert "not later than the date of publication of the notice under section 3.1(2)(A) of this chapter".

Page 5, line 8, strike "within fifteen (15)" and insert "not later than twenty-five (25)".

Page 5, line 14, strike "sixty (60)" and insert "seventy (70)".

(Reference is to HB 1235 as printed January 30, 2002.)

MOSES

Motion prevailed. The bill was ordered engrossed.

House Bill 1241

Representative Lytle called down House Bill 1241 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1241–1)

Mr. Speaker: I move that House Bill 1241 be amended to read as follows:

Page 7, between lines 22 and 23, begin a new paragraph and insert:

"(d) If the written consent of:

- (1) the spouse of the deceased; or
- (2) the parents of the deceased in the case of a deceased minor;

is not available, the state department of health may petition a court to determine whether to waive the consent requirement of subsection (b)(3). In determining whether to waive the requirement, the court shall consider the viewpoint of any issue (as defined in IC 29-1-13) of the deceased."

Page 7, line 23, delete "(d)" and insert "(e)".

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(Reference is to HB 1241 as printed January 30, 2002.)

LYTLE

Motion prevailed. The bill was ordered engrossed.

House Bill 1265

Representative V. Smith called down House Bill 1265 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1265–2)

Mr. Speaker: I move that House Bill 1265 be amended to read as follows:

Page 1, line 7, after "murder" insert "under IC 35-42-1-1".

Page 1, line 8, delete "in a penal facility " and insert "serving a sentence for a felony conviction".

Page 1, between lines 9 and 10, begin a new line block indented and insert:

"(4) A person convicted of a crime of violence (as defined in IC 35-50-1-2).

(5) A person convicted of cruelty to animals as a Class D felony under IC 35-46-3-12.

(6) A person convicted of arson under IC 35-43-1-1.

(7) A person convicted of multiple operating a vehicle while intoxicated offenses under IC 9-30-5-3.

(8) A person convicted of causing serious bodily injury when operating a motor vehicle under IC 9-30-5-4.

(9) A person convicted of an attempt or a conspiracy to commit a crime listed in subdivisions (1) through (8).".

Page 2, line 2, delete "arrested for" and insert "convicted of". (Reference is to HB 1265 as printed February 1, 2002.)

V. SMITH

Motion prevailed.

HOUSE MOTION (Amendment 1265–1)

Mr. Speaker: I move that House Bill 1265 be amended to read as

Page 1, between lines 9 and 10, begin a new line block indented and insert:

"(4) A person convicted of dealing in cocaine, a narcotic drug, or methamphetamine under IC 35-48-4-1.

(5) A person convicted of dealing in a schedule I, II, or III controlled substance under IC 35-48-4-2.

(6) A person convicted of dealing in a schedule IV controlled substance under IC 35-48-4-3.

(7) A person convicted of dealing in a schedule V controlled substance under IC 35-48-4-4."

(Reference is to HB 1265 as printed February 1, 2002.)

DUNCAN

Motion prevailed. The bill was ordered engrossed.

House Bill 1293

Representative Kersey called down House Bill 1293 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1293–4)

Mr. Speaker: I move that House Bill 1293 be amended to read as follows:

Page 6, line 35, delete "level." and insert "level or the resident is more than sixty (60) years of age.".

Page 8, line 29, delete "disperse" and insert "**dispense**". Page 9, line 7, delete "THREE" and insert "**TWO**". Page 9, delete lines 10 through 19.

(Reference is to HB 1293 as printed February 1, 2002.)

KERSEY

Motion prevailed.

HOUSE MOTION (Amendment 1293-3)

Mr. Speaker: I move that House Bill 1293 be amended to read as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning human services and to make an appropriation.

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 12-7-2-122.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 122.2. "Labeler", for purposes of IC 12-15-35.5, has the meaning set forth in IC 12-15-25.5-1.

SECTION 2. IC 12-7-2-127.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 127.3. "Manufacturer", for purposes of IC 12-15-35.5, has the meaning set forth in ÎC 12-15-35.5-2.".

Delete page 2.

Page 3, delete lines 1 through 20.

Page 3, line 24, delete "Preferred Drug Formulary" and insert "Seniors Health Maintenance Program"

Page 3, delete lines 25 through 42, begin a new paragraph and insert:

"Sec. 1. As used in this chapter, "labeler" means a person or an entity that:

(1) receives prescription drugs from a manufacturer or wholesaler;

(2) repackages those drugs for later retail sale; and

(3) has a labeler code from the federal Food and Drug Administration under 21 CFR 207.20.

Sec. 2. (a) As used in this chapter, "manufacturer" means a person who, by compounding, cultivating, harvesting, mixing, or other process produces or prepares legend drugs. The term includes a person who:

(1) prepares legend drugs in dosage forms by mixing, compounding, encapsulating, entableting, or other process;

(2) packages or repackages legend drugs.

(b) The term does not include a pharmacist or practitioner in the practice of the pharmacist's or practitioner's profession.

Sec. 3. The seniors health maintenance program is established to provide discounted prescription drug prices to elderly Indiana residents.

Sec. 4. An Indiana resident is eligible to participate in the seniors health maintenance program if the resident meets the following criteria:

(1) The resident is at least sixty-five (65) years of age.

(2) The resident has a family income of not more than two hundred percent (200%) of the federal poverty level.

Sec. 5. A seniors health maintenance program participant may obtain prescription drugs at the discounted price offered by a drug manufacturer or labeler under section 4 of this chapter.

Sec. 6. (a) A drug manufacturer or labeler that sells prescription drugs in Indiana may voluntarily elect to participate in the seniors health maintenance program.

(b) A drug manufacturer or labeler that elects to participate in the seniors health maintenance program shall offer the program the best price as defined in 42 U.S.C. 1396r-8 for the prescription drug.

Sec. 7. The office shall administer the program. The office shall establish procedures for:

(1) determining eligibility; and

(2) issuing program enrollment cards.

Sec. 8. The office shall apply for a Medicaid waiver under 42 U.S.C. 1396 et seq. from the United States Department of Health and Human Services to implement this chapter.

Sec. 9. The office may adopt rules under IC 4-22-2 to implement this chapter.".

Delete pages 4 through 11, begin a new paragraph and insert: "SECTION 4. IC 16-19-14 IS ADDED TO THE INDIANA

CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 14. Office of Prescription Drug Coordination

Sec. 1. As used in this chapter, "office" means the office of prescription drug coordination established by section 2 of this

chapter.

Sec. 2. The office of prescription drug coordination is established.

Sec. 3. The office has the following duties:

(1) Collect information concerning any person who offers private pharmaceutical drug assistance in the state.

(2) Maintain a database for the information collected under subdivision (1).

(3) Assist and counsel individuals with identifying, determining eligibility, and applying for pharmaceutical drug assistance for which the individual is eligible.

Sec. 4. (a) The state health commissioner shall appoint persons to staff the office, including:

(1) the director of the office; and

(2) any other employees that the state health commissioner determines are necessary.

- (b) The employees appointed under subsection (a)(2) shall report to the director. The director shall report to the state health commissioner.
- (c) The director shall supervise the employees assigned to the office.
- (d) The director shall oversee the administrative functions of the office.

Sec. 5. Any person that offers pharmaceutical drug assistance in the state of Indiana shall notify the office of the following:

(1) The type of assistance offered.

(2) The terms of the assistance.

(3) The eligibility requirements for the assistance.

(3) The location of the assistance.

(4) Contact information for the assistance.

(5) The procedure with which to apply for the assistance.

(6) Any other information the person determines is relevant or would help the office in assisting Indiana residents in accessing the assistance."

Page 12, delete lines 1 through 34.

Page 12, delete line 40 and insert "a waiver to implement the seniors health maintenance program".

Page 12, line 42, delete "42 U.S.C. 1396r-8" and insert "42 U.S.C. 1396 et seq".

Page 13, after line 10, begin a new paragraph and insert:

"SECTION 5. [EFFECTIVE JULY 1, 2002] (a) If the waiver applied for under IC 12-15-35.5-8, as added by this act, is approved by the United States Department of Health and Human Services:

(1) notwithstanding IC 12-10-16, the Indiana prescription drug program is abolished; and

(2) notwithstanding IC 4-12-8 and IC 12-10-16, money in the Indiana prescription drug account established by IC 4-12-8-2 is transferred to the office of Medicaid policy and planning and is appropriated for the purpose of administering the seniors health maintenance program established by IC 12-15-35.5-3, as added by this act.

(b) This SECTION expires December 31, 2008.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1293 as printed February 1, 2002.)

MURPHY

Representative Moses rose to a point of order, citing Rule 80, stating that the motion was not germane to the bill. The Speaker ruled the point was well taken and the motion was out of order.

APPEAL OF THE RULING OF THE CHAIR

Mr. Speaker: We hereby appeal the ruling of the Chair that Representative Murphy's amendment (1293–3) is in violation of Rule 80 as not germane to the bill. The amendment deals with payment for prescription drugs, which is the subject matter of the bill.

MURPHY BOSMA

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Dobis.

The question was, Shall the ruling of the Chair be sustained? Roll Call 80: yeas 52, nays 44. The ruling of the Chair was sustained.

There being no further amendments, the bill was ordered engrossed.

The Speaker Pro Tempore yielded the gavel to the Speaker.

House Bill 1306

Representative Wolkins called down House Bill 1306 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1306–1)

Mr. Speaker: I move that House Bill 1306 be amended to read as follows:

Page 2, line 1, after "surface" insert "and ground". (Reference is to HB 1306 as printed February 1, 2002.)

WOLKINS

Motion prevailed. The bill was ordered engrossed.

House Bill 1313

Representative Liggett called down House Bill 1313 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1313–1)

Mr. Speaker: I move that House Bill 1313 be amended to read as follows:

Page 13, between lines 39 and 40, begin a new paragraph and insert:

"SECTION 4. IC 22-3-3-13, AS AMENDED BY P.L.202-2001, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13. (a) As used in this section, "board" refers to the worker's compensation board created under IC 22-3-1-1.

- (b) If an employee who from any cause, had lost, or lost the use of, one (1) hand, one (1) arm, one (1) foot, one (1) leg, or one (1) eye, and in a subsequent industrial accident becomes permanently and totally disabled by reason of the loss, or loss of use of, another such member or eye, the employer shall be liable only for the compensation payable for such second injury. However, in addition to such compensation and after the completion of the payment therefor, the employee shall be paid the remainder of the compensation that would be due for such total permanent disability out of a special fund known as the second injury fund, and created in the manner described in subsection (c).
- (c) Whenever the board determines under the procedures set forth in subsection (d) that an assessment is necessary to ensure that fund beneficiaries, including applicants under section 4(e) of this chapter, continue to receive compensation in a timely manner for a reasonable prospective period, the board shall send notice not later than October 1 in any year to:

(1) all insurance carriers and other entities insuring or providing coverage to employers who are or may be liable under this article to pay compensation for personal injuries to or the death of their employees under this article; and

(2) each employer carrying the employer's own risk; stating that an assessment is necessary. After June 30, 1999, the board may conduct an assessment under this subsection not more than one (1) time annually. Every insurance carrier and other entity insuring or providing coverage to employers who are or may be liable under this article to pay compensation for personal injuries to or death of their employees under this article and every employer carrying the employer's own risk, shall, within thirty (30) days of the board sending notice under this subsection, pay to the worker's compensation board for the benefit of the fund an assessed amount that may not exceed two three and one-half percent (2.5%) (3.5%) of the total amount of all worker's compensation paid to injured employees or their beneficiaries under IC 22-3-2 through IC 22-3-6 for the calendar year next preceding the due date of such payment. For the purposes of calculating the assessment under this subsection, the board may consider payments for temporary total disability,

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temporary partial disability, permanent total impairment, permanent partial impairment, or death of an employee. The board may not consider payments for medical benefits in calculating an assessment under this subsection. If the amount to the credit of the second injury fund on or before October 1 of any year exceeds one two million five hundred thousand dollars (\$1,000,000), (\$2,500,000), the assessment allowed under this subsection shall not be assessed or collected during the ensuing year. But when on or before October 1 of any year the amount to the credit of the fund is less than one two million five hundred thousand dollars (\$1,000,000), (\$2,500,000), the payments of not more than two three and one-half percent (2.5%)(3.5%) of the total amount of all worker's compensation paid to injured employees or their beneficiaries under IC 22-3-2 through IC 22-3-6 for the calendar year next preceding that date shall be resumed and paid into the fund. The board may not use an assessment rate greater than twenty-five hundredths of one percent (0.25%) above the amount recommended by the study performed before the

- (d) The board shall enter into a contract with an actuary or another qualified firm that has experience in calculating worker's compensation liabilities. Not later than September 1 of each year, the actuary or other qualified firm shall calculate the recommended funding level of the fund based on the previous year's claims and inform the board of the results of the calculation. If the amount to the credit of the fund is less than the amount required under subsection (c), the board may conduct an assessment under subsection (c). The board shall pay the costs of the contract under this subsection with money in the fund.
- (e) An assessment collected under subsection (c) on an employer who is not self-insured must be assessed through a surcharge based on the employer's premium. An assessment collected under subsection (c) does not constitute an element of loss, but for the purpose of collection shall be treated as a separate cost imposed upon insured employers. A premium surcharge under this subsection must be collected at the same time and in the same manner in which the premium for coverage is collected, and must be shown as a separate amount on a premium statement. A premium surcharge under this subsection must be excluded from the definition of premium for all purposes, including the computation of agent commissions or premium taxes. However, an insurer may cancel a worker's compensation policy for nonpayment of the premium surcharge. A cancellation under this subsection must be carried out under the statutes applicable to the nonpayment of premiums.
- (f) The sums shall be paid by the board to the treasurer of state, to be deposited in a special account known as the second injury fund. The funds are not a part of the general fund of the state. Any balance remaining in the account at the end of any fiscal year shall not revert to the general fund. The funds shall be used only for the payment of awards of compensation and expense of medical examinations or treatment made and ordered by the board and chargeable against the fund pursuant to this section, and shall be paid for that purpose by the treasurer of state upon award or order of the board.

(g) If an employee who is entitled to compensation under IC 22-3-2 through IC 22-3-6 either:

(1) exhausts the maximum benefits under section 22 of this chapter without having received the full amount of award granted to the employee under section 10 of this chapter; or

(2) exhausts the employee's benefits under section 10 of this

chapter;

then such employee may apply to the board, who may award the employee compensation from the second injury fund established by this section, as follows under subsection (h).

- (h) An employee who has exhausted the employee's maximum benefits under section 10 of this chapter may be awarded additional compensation equal to sixty-six and two-thirds percent (66 2/3%) of the employee's average weekly wage at the time of the employee's injury, not to exceed the maximum then applicable under section 22 of this chapter, for a period of not to exceed one hundred fifty (150) weeks upon competent evidence sufficient to establish:
 - (1) that the employee is totally and permanently disabled from causes and conditions of which there are or have been objective conditions and symptoms proven that are not within the

physical or mental control of the employee; and

(2) that the employee is unable to support the employee in any gainful employment, not associated with rehabilitative or vocational therapy.

- (i) The additional award may be renewed during the employee's total and permanent disability after appropriate hearings by the board for successive periods not to exceed one hundred fifty (150) weeks each. The provisions of this section apply only to injuries occurring subsequent to April 1, 1950, for which awards have been or are in the future made by the board under section 10 of this chapter. Section 16 of this chapter does not apply to compensation awarded from the second injury fund under this section.
- (j) All insurance carriers subject to an assessment under this section are required to provide to the board:

(1) not later than January 31 each calendar year; and

(2) not later than thirty (30) days after a change occurs; the name, address, and electronic mail address of a representative authorized to receive the notice of an assessment."

(Reference is to HB 1313 as printed January 30, 2002.)

LIGGETT

Motion prevailed.

HOUSE MOTION (Amendment 1313–2)

Mr. Speaker: I move that House Bill 1313 be amended to read as follows:

Page 1, delete lines 1 through 14, begin a new paragraph and

"SECTION 1. IC 22-3-2-2.5, AS ADDED BY P.L.235-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2.5. (a) As used in this section, 'school to work student" refers to a student participating in on-the-job training under the federal School to Work Opportunities Act (20 U.S.C. 6101 et seq.).

- (b) Except as provided in IC 22-3-7-2.5, a school to work student is entitled to the following compensation and benefits under this article:
 - (1) Medical benefits under IC 22-3-2 through IC 22-3-6.
 - (2) Permanent partial impairment compensation under IC 22-3-3-10. Permanent partial impairment compensation for a school to work student shall be paid in a lump sum upon agreement or final award.

(3) In the case that death results from the injury:

- (A) death benefits in a lump sum amount of one hundred seventy-five thousand dollars (\$175,000), subject to section **8(c)** of this chapter, payable upon agreement or final award to any dependents of the student under IC 22-3-3-18 through IC 22-3-3-20, or, if the student has no dependents, to the student's parents; and
- (B) burial compensation under IC 22-3-3-21. (c) For the sole purpose of modifying an award under IC 22-3-3-27, a school to work student's average weekly wage is

presumed to be equal to the federal minimum wage.

(d) A school to work student is not entitled to the following compensation under this article:

- (1) Temporary total disability compensation under IC 22-3-3-8.
- (2) Temporary partial disability compensation under ÌĆ 22-3-3-9.
- (e) Except for remedies available under IC 5-2-6.1, recovery under subsection (b) is the exclusive right and remedy for:

(1) a school to work student; and

(2) the personal representatives, dependents, or next of kin, at common law or otherwise, of a school to work student; on account of personal injury or death by accident arising out of and

in the course of school to work employment.

SECTION 2. IC 22-3-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. (a) No compensation is allowed for an injury or death due to the employee's:

- (1) knowingly self-inflicted injury;
- (2) his intoxication;
- (3) his commission of an offense; his knowing failure to use a safety appliance,

(4) his knowing failure to obey a reasonable written or printed rule of the employer which has been posted in a conspicuous position in the place of work; or

(5) his knowing failure to perform any statutory duty.

The burden of proof is on the defendant.

(b) Each payment of monetary compensation allowed under IC 22-3-3-8, IČ 22-3-3-9, IC 22-3-3-10 or IC 22-3-3-22 shall be reduced by fifteen percent (15%) for an injury or a death caused in any degree by the employee's intentional:

(1) failure to use a safety appliance furnished by the

(2) failure to obey an order or administrative regulation of:

(A) the worker's compensation board; or

(B) the employer;

for the safety of the employees or the public.

(c) Each payment of monetary compensation allowed under IC 22-3-3-8, IC 22-3-3-9, IC 22-3-3-10, or IC 22-3-3-22 shall be increased by thirty percent (30%) for an injury or death caused in any degree by the employer's intentional failure to comply with a statute or administrative regulation regarding safety methods or installation or maintenance of safety appliances that has been communicated to the employer.".

Page 4, between lines 8 and 9, begin a new paragraph and insert: "SECTION 4. IC 22-3-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. (a) With respect to injuries occurring prior to April 1, 1951, causing temporary total disability for work there shall be paid to the injured employee during such total disability for work a weekly compensation equal to fifty-five percent (55%) of his average weekly wages for a period not to exceed five hundred (500) weeks. With respect to injuries occurring on and after April 1, 1951, and prior to July 1, 1971, causing temporary total disability for work there shall be paid to the injured employee during such total disability a weekly compensation equal to sixty per cent (60%) of his average weekly wages for a period not to exceed five hundred (500) weeks. With respect to injuries occurring on and after July 1, 1971, and prior to July 1, 1974, causing temporary total disability for work there shall be paid to the injured employee during such total disability a weekly compensation equal to sixty per cent (60%) of his average weekly wages, as defined in IC 22-3-3-22 a period not to exceed five hundred (500) weeks. With respect to injuries occurring on and after July 1, 1974, and before July 1, 1976, causing temporary total disability or total permanent disability for work there shall be paid to the injured employee during such total disability a weekly compensation equal to sixty-six and two-thirds percent (66 2/3%) of his average weekly wages up to one hundred and thirty-five dollars (\$135.00) average weekly wages, as defined in section 22 of this chapter, for a period not to exceed five hundred (500) weeks. With respect to injuries occurring on and after July 1, 1976, causing temporary total disability or total permanent disability for work, there shall be paid to the injured employee during the total disability a weekly compensation equal to sixty-six and two-thirds percent (66 2/3%) of his average weekly wages, as defined in IC 22-3-3-22, for a period not to exceed five hundred (500) weeks. Compensation shall be allowed for the first seven (7) calendar days only if the disability continues for longer than twenty-one (21) days.

(b) As provided in IC 22-3-2-8(b), each payment of monetary compensation allowed under subsection (a) shall be reduced by fifteen percent (15%) for an injury caused in any degree by the employee's intentional:

(1) failure to use a safety appliance furnished by the employer; or

(2) failure to obey an order or administrative regulation of:

(A) the worker's compensation board; or

(B) the employer;

for the safety of the employees or the public.

(c) Each payment of monetary compensation allowed under subsection (a) shall be increased by thirty percent (30%) for an injury caused in any degree by the employer's intentional failure to comply with a statute or administrative regulation regarding safety methods or installation or maintenance of safety appliances that has been communicated to the employer, as

provided in IC 22-3-2-8(c).

SECTION 5. IC 22-3-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. (a) With respect to injuries occurring prior to April 1, 1951 causing temporary partial disability for work, compensation shall be paid to the injured employee during such disability, as prescribed in section 7 of this chapter, a weekly compensation equal to fifty-five per cent (55%) of the difference between his average weekly wages and the weekly wages at which he is actually employed after the injury, for a period not to exceed three hundred (300) weeks. With respect to injuries occurring on and after April 1, 1951 and prior to July 1, 1974 causing temporary partial disability for work, compensation shall be paid to the injured employee during such disability, as prescribed in section 7 of this chapter, a weekly compensation equal to sixty per cent (60%) of the difference between his average weekly wages and the weekly wages at which he is actually employed after the injury, for a period not to exceed three hundred (300) weeks. With respect to injuries occurring on and after July 1, 1974 causing temporary partial disability for work, compensation shall be paid to the injured employee during such disability as prescribed in section 7 of this chapter, a weekly compensation equal to sixty-six and two-thirds per cent (66 2/3%) of the difference between his average weekly wages and the weekly wages at which he is actually employed after the injury, for a period not to exceed three hundred (300) weeks. In case the partial disability begins after the period of temporary total disability, the latter period shall be included as a part of the maximum period allowed for partial disability.

- (b) As provided in IC 22-3-2-8(b), each payment of monetary compensation allowed under subsection (a) shall be reduced by fifteen percent (15%) for an injury caused in any degree by the employee's intentional:
 - (1) failure to use a safety appliance furnished by the employer; or
 - (2) failure to obey an order or administrative regulation of:
 - (A) the worker's compensation board; or
 - (B) the employer;

for the safety of the employees or the public.

(c) Each payment of monetary compensation allowed under subsection (a) shall be increased by thirty percent (30%) for an injury caused in any degree by the employer's intentional failure to comply with a statute or administrative regulation regarding safety methods or installation or maintenance of safety appliances that has been communicated to the employer, as provided in IC 22-3-2-8(c)."

Page 13, between lines 13 and 14, begin a new line block indented and insert:

- (12) With respect to injuries occurring on or after July 1, 2002, as provided in IC 22-3-2-8(b), each payment of monetary compensation allowed under this subsection shall be reduced by fifteen percent (15%) for an injury or a death caused in any degree by the employee's intentional:
 - (A) failure to use a safety appliance furnished by the employer; or
 - (B) failure to obey an order or administrative regulation
 - (i) the worker's compensation board; or

(ii) the employer;

for the safety of the employees or the public.

(13) With respect to injuries occurring on or after July 1, 2002, each payment of monetary compensation allowed under this subsection shall be increased by thirty percent (30%) for an injury or a death caused in any degree by the employer's intentional failure to comply with a statute or administrative regulation regarding safety methods or installation or maintenance of safety appliances that has been communicated to the employer, as provided in IC 22-3-2-8(c).".

Page 20, line 38, after "benefits," insert "subject to IC 22-3-2-8,". Page 22, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 10. IC 22-3-7-2.5, AS ADDED BY P.L.235-1999, SECTION 6, IS AMENDED TO READ AS FOLLOWS February 4, 2002 House 371

[EFFECTIVE JULY 1, 2002]: Sec. 2.5. (a) As used in this section, "school to work student" refers to a student participating in on-the-job training under the federal School to Work Opportunities Act (20 U.S.C. 6101 et seq.).

(b) A school to work student is entitled to the following compensation and benefits under this chapter:

(1) Medical benefits.

(2) Permanent partial impairment compensation under section 16 of this chapter. Permanent partial impairment compensation for a school to work student shall be paid in a lump sum upon agreement or final award.

(3) In the case that death results from the injury:

(A) death benefits in a lump sum amount of one hundred seventy-five thousand dollars (\$175,000), **subject to section 19(u) of this chapter,** payable upon agreement or final award to any dependents of the student under sections 11 through 14 of this chapter, or, if the student has no dependents, to the student's parents; and

(B) burial compensation under section 15 of this chapter.

- (c) For the sole purpose of modifying an award under section 27 of this chapter, a school to work student's average weekly wage is presumed to be equal to the federal minimum wage.
- (d) A school to work student is not entitled to the following compensation under this chapter:
 - (1) Temporary total disability compensation under section 16 of this chapter.
 - (2) Temporary partial disability compensation under section 19 of this chapter.
- (e) Except for remedies available under IC 5-2-6.1, recovery under subsection (b) is the exclusive right and remedy for:

(1) a school to work student; and

(2) the personal representatives, dependents, or next of kin, at common law or otherwise, of a school to work student;

on account of disablement or death by occupational disease arising out of and in the course of school to work employment.".

Page 37, between lines 16 and 17, begin a new paragraph and insert:

- "(t) Each payment of monetary compensation due under this section shall be reduced by fifteen percent (15%) for an occupational disease or death resulting from an occupational disease caused in any degree by the employee's intentional:
 - (1) failure to use a safety appliance furnished by the employer; or
 - (2) failure to obey a lawful order or administrative regulation of:
 - (A) the worker's compensation board; or

(B) the employer;

for the safety of the employees or the public.

(u) Each payment of monetary compensation allowed under this section shall be increased by thirty percent (30%) for an occupational disease or a death resulting from an occupational disease caused in any degree by the employer's intentional failure to comply with a statute or administrative regulation regarding safety methods or installation or maintenance of safety appliances that has been communicated to the employer."

Page 45, line 37, after "chapter" insert ", subject to section 21 of

this chapter,"

Page 47, between lines 30 and 31, begin a new paragraph and insert

"(x) Each payment of monetary compensation due under this section shall be reduced by fifteen percent (15%) for an occupational disease or a death resulting from an occupational disease caused in any degree by the employee's intentional:

(1) failure to use a safety appliance furnished by the

employer; or

- (2) failure to obey a lawful order or administrative regulation of:
 - (A) the worker's compensation board; or

(B) the employer;

for the safety of the employees or the public.

(y) Each payment of monetary compensation allowed under this section shall be increased by thirty percent (30%) for an occupational disease or a death resulting from an occupational disease caused in any degree by the employer's intentional failure to comply with a statute or administrative regulation regarding safety methods or installation or maintenance of safety appliances that has been communicated to the employer."

Page 47, delete lines 31 through 42, begin a new paragraph and

insert:

"SECTION 15. IC 22-3-7-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 21. (a) No compensation is allowed for any condition of physical or mental ill-being, disability, disablement, or death for which compensation is recoverable on account of accidental injury under chapters 2 through 6 of this article.

- (b) No compensation is allowed for any disease or death knowingly self-inflicted by the employee, or due to:
 - (1) his intoxication;
 - (2) his commission of an offense; his knowing failure to use a safety appliance,
 - (3) his knowing failure to obey a reasonable written or printed rule of the employer which has been posted in a conspicuous position in the place of work; or

(4) his knowing failure to perform any statutory duty.

The burden of proof is on the defendant.

- (c) Each payment of monetary compensation allowed under sections 16 and 19 of this chapter shall be reduced by fifteen percent (15%) for an occupational disease or a death resulting from an occupational disease caused in any degree by the employee's intentional:
 - (1) failure to use a safety appliance furnished by the employer; or
 - (2) failure to obey a lawful order or administrative regulation of:
 - (A) the worker's compensation board; or

(B) the employer;

for the safety of the employees or the public.

(d) Each payment of monetary compensation allowed under sections 16 and 19 of this chapter shall be increased by thirty percent (30%) for a disease or death caused in any degree by the employer's intentional failure to comply with a statute or administrative regulation that has been communicated to the employer regarding safety methods or installation or maintenance of safety appliances."

Renumber all SECTIONS consecutively.

(Reference is to HB 1313 as printed January 30, 2002.)
LIGGETT

Motion prevailed. The bill was ordered engrossed.

House Bill 1315

Representative Liggett called down House Bill 1315 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1315–1)

Mr. Speaker: I move that House Bill 1315 be amended to read as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 5-1.4-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. "Qualified entity" means the following:

- (1) A city.
- (2) A county.
- (3) A special taxing district located wholly within a county.
- (4) Any entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.
- (5) A political subdivision (as defined in IC 36-1-2-13) that is located wholly within a county:
 - (A) that has a population of:

- (i) more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or
- (ii) more than two hundred thousand (200,000) but less than three hundred thousand (300,000); or

(B) containing a city that:

(i) is described in section 5(3) of this chapter; and

(ii) has a public improvement bond bank under this

(6) A charter school established under IC 20-5.5 that is sponsored by the executive of a consolidated city.

(7) Any authority created under IC 36 that leases land or facilities to any qualified entity listed in subdivisions (1) through (5). (6).

SECTION 2. An emergency is declared for this act. (Reference is to HB 1315 as printed January 31, 2002.)

LIGGETT

Representative J. Lutz rose to a point of order, citing Rule 80, stating that the motion was not germane to the bill. The Speaker ruled the point was not well taken.

The question was on the motion of Representative Liggett. Motion prevailed. The bill was ordered engrossed.

House Bill 1316

Representative Liggett called down House Bill 1316 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1316–1)

Mr. Speaker: I move that House Bill 1316 be amended to read as follows:

Page 2, line 4, delete "tap-ins" and insert "connections".

Page 2, line 6, after "towers" insert "and storage tanks".

Page 2, line 7, delete "tap-ins" and insert "**connections**".

Page 3, line 9, delete "wages and the cost of constructing" and insert "construction of".

Page 3, line 12, delete "may,"

Page 3, line 13, delete "shall,

Page 3, line 17, before "hold" insert "shall".

Page 7, line 16, after "officer" insert "of the unit".

Page 7, line 25, delete "If a" and insert "Any".
Page 7, line 25, delete "does not have authority to" and insert "adopting assessments under this chapter may".

Page 7, line 25, after "operate" delete "a" and insert "the".

Page 7, line 27, delete ", the unit shall:" and insert ".".

Page 7, line 28, delete "(1)".

Page 7, line 28, before "enter" begin a new paragraph and insert: "(e) A unit may"

Page 7, line 28, after "entity" insert "or other entity or person".

Page 7, line 31, delete "; and" and insert ".".

Page 7, delete lines 32 through 42.

Page 8, delete line 1.

Page 8, line 18, delete "and".
Page 8, line 21, delete "." and insert "; and".
Page 8, between lines 21 and 22, begin a new line block indented and insert:

'(3) may not constitute a debt of the unit for purposes of the Constitution of the State of Indiana.".

Page 8, line 24, delete "revenues" and insert "assessments". Page 9, line 37, after "be." insert "The only basis for the action or judicial review is that the establishment of the public improvement area does not provide public utility and benefit. A court may overturn the actions of the legislative body only if it finds that the actions are arbitrary and capricious."

(Reference is to HB 1316 as printed January 31, 2002.)

LIGGETT

Motion prevailed. The bill was ordered engrossed.

House Bill 1317

Representative Liggett called down House Bill 1317 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1317–4)

Mr. Speaker: I move that House Bill 1317 be amended to read as follows:

Page 2, line 15, delete "One seventeenth (1/17)" and insert "Two seventeenths (2/17)".

(Reference is to HB 1317 as printed February 1, 2002.)

BAUER

Motion prevailed.

HOUSE MOTION (Amendment 1317-3)

Mr. Speaker: I move that House Bill 1317 be amended to read as follows:

Page 1, line 2, after "201." insert "(a)".

Page 1, line 9, after "2003" insert ", and before January 1,

Page 1, between lines 9 and 10, begin a new paragraph and insert:

"(b) Beginning January 1, 2005, a cents per mile license tax of one cent (\$0.01) is imposed on the use of all gasoline used in Indiana, except as otherwise provided by this chapter. The cents per mile license tax is annually converted to a per gallon rate as provided in section 201.2 of this chapter."

Page 1, line 10, before "The distributor" begin a new paragraph and insert "(c)".

Page 1, between lines 15 and 16, begin a new paragraph and insert:

"SECTION 2. IC 6-6-1.1-201.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 201.2. (a) As used in this section, "motor fuel" has the meaning set forth in IC 6-6-4.1-1(g).

(b) As used in this section, "CPI" refers to the United States Bureau of Labor Statistics Consumer Price Index for Indiana, all

items, all urban consumers, or its successor index.

(c) The per gallon conversion of the cents per mile license tax imposed under section 201 of this chapter is the amount determined in STEP SEVEN of the following formula, rounded off to the nearest one-tenth cent (\$0.001):

STEP ONE: Divide:

(A) the Indiana motor vehicle miles of travel (VMT) for the calendar year immediately preceding the calendar year in which the new per gallon conversion rate must be published under subsection (d), as reported by the United States Federal Highway Administration; by

(B) the certified taxable gallons of motor fuel for the calendar year immediately preceding the calendar year in which the new per gallon conversion rate must be published under subsection (d), as reported by the department;

to determine the current average miles per gallon (AMPG). STEP TWO: Multiply the AMPG calculated under STEP ONE by the cents per mile license tax imposed under section 201 of this chapter.

STEP THREE: Determine the percentage change between the CPI as last reported for calendar year 2000 and the CPI as last reported for the previous calendar year.

STEP FOUR: Express the percentage change determined in STEP THREE as a three (3) digit decimal rounded to the

nearest thousandth. STEP FIVE: Add one (1) to the decimal determined in STEP FOUR.

STEP SIX: Multiply the STEP TWO amount by the sum determined in STEP FIVE.

STEP SEVEN: For calendar year 2005, determine the greater of seventeen cents (\$0.17) or the STEP SIX result. For calendar years beginning after December 31, 2005, determine the greater of:

(A) the STEP SIX result; or

- (B) the amount determined under this STEP for the previous calendar year.
- (d) Not later than November 1 of each year, the department

shall:

(1) publish the annual tax rate in effect for the following calendar year in the Indiana Register; and

(2) widely disseminate information concerning the applicability of the per gallon conversion rate.

- (e) Not later than November 1 of each year, the department shall publish in the Indiana Register and widely disseminate information concerning:
 - (1) the certified taxable gallons of fuel; and

(2) the Indiana vehicle miles of travel;

used in the calculation of the per gallon conversion rate under

SECTION 3. IC 6-6-1.1-502 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 502. (a) Except as provided in subsection (b), at the time of filing each monthly report, each distributor shall pay to the administrator the full amount of tax due under this chapter for the preceding calendar month, computed as follows:

(1) Enter the total number of invoiced gallons of gasoline received during the preceding calendar month.

(2) Subtract the number of gallons for which deductions are provided by sections 701 through 705 of this chapter from the number of gallons entered under subdivision (1).

(3) Subtract the number of gallons reported under section 501(3) of this chapter.

- (4) Multiply the number of invoiced gallons remaining after making the computation in subdivisions (2) and (3) by the tax rate prescribed by section 201 determined under section **201.2** of this chapter to compute that part of the gasoline tax to be deposited in the highway, road, and street fund under section 802(2) of this chapter or in the motor fuel tax fund under section 802(3) of this chapter.
- (5) Multiply the number of gallons subtracted under subdivision (3) by the tax rate prescribed by section 201 determined under section 201.2 of this chapter to compute that part of the gasoline tax to be deposited in the fish and wildlife fund under section 802(1) of this chapter.
- (b) If the department determines that a distributor's:
 - (1) estimated monthly gasoline tax liability for the current year;
 - (2) average monthly gasoline tax liability for the preceding year;

exceeds ten thousand dollars (\$10,000), the distributor shall pay the monthly gasoline taxes due by electronic fund transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

SECTION 4. IC 6-6-1.1-606.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 606.6. (a) Except as provided in subsection (c), every person included within the terms of section 606(a) of this chapter who transports gasoline in a vehicle on the highways of Indiana in a vehicle having a total tank capacity of less than eight hundred fifty (850) gallons is liable to the state for a penalty equal to the rate provided in section 201 section 201.2 of this chapter on all gasoline transported into Indiana and delivered to any person other than a licensed distributor.

- (b) Except as provided in subsection (c), every person included within the terms of section 606(c) of this chapter who transports gasoline in a vehicle on the highways of Indiana is liable to the state for a penalty equal to the rate provided in section 201 section 201.2 of this chapter on all gasoline:
 - 1) received by the person for transportation to a point outside Indiana;
 - (2) not in fact transported to a point outside Indiana; and
 - (3) in fact delivered to a person other than a licensed distributor inside Indiana.
- (c) The following are excluded when computing any liability under this section:
 - (1) All deliveries of gasoline when the tax imposed by law was charged or collected by the parties under the circumstances described in this section.

(2) Deliveries of gasoline used in computing the tax under section 301 of this chapter.".

Page 2, line 8, after "2003" insert ", and before January 1,

Page 2, between lines 8 and 9, begin a new line block indented and insert:

"(3) The amount determined under subsection (c) for the taxes that are collected under this chapter after December 31, 2004."

Page 2, line 16, after "2003" insert ", and before January 1, 2005"

Page 2, between lines 16 and 17, begin a new paragraph and

"(c) The amount of the transfer required under subsection (a)(3) is the amount determined in the last of the following STEPS:

STEP ONE: Determine the amount of the taxes collected under this chapter.

STEP TWO: Determine the tax rate determined under section 201.2 of this chapter.

STEP THREE: Multiply the STEP TWO result by one hundred (100).

STEP FOUR: Express the STEP THREE result as a fraction, with two (2) being the numerator and the STEP THREE result being the denominator.

STEP FIVE: Multiply the STEP FOUR result by the STEP ONE result."

Page 2, line 17, delete "(c)" and insert "(d)". Page 2, line 18, delete "(b)" and insert "(c)". Page 2, line 35, delete "(d)" and insert "(e)". Page 2, line 36, delete "(c)" and insert "(d)". Page 2, line 38, delete "(c)" and insert "(d)". Page 2, line 40, delete "(e)" and insert "(f)". Page 2, line 40, delete "(c)" and insert "(f)".

Page 3, after line 10, begin a new paragraph and insert:

"SECTION 7. [EFFECTIVE JULY 1, 2002] (a) Notwithstanding IC 6-6-1.1-201, as amended by this act, the new cents per mile license tax and the per gallon conversion rate determined under IC 6-6-1.1-201.2, as added by this act, apply to the use of gasoline after December 31, 2004.

(b) The department of state revenue shall, before November 1, 2004, publish in the Indiana Register the per gallon conversion rate determined under IC 6-6-1.1-201.2, as added by this act, that is applicable for the calendar year beginning January 1,

(c) This SECTION expires January 2, 2005.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1317 as printed February 1, 2002.)

ESPICH

After discussion, Representative Espich withdrew the motion.

HOUSE MOTION (Amendment 1317–1)

Mr. Speaker: I move that House Bill 1317 be amended to read as follows:

Page 2, after line 42, begin a new paragraph and insert:

"SECTION 3. IC 8-14-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) The auditor of state shall establish a special account to be called the "local road and street account" and shall credit this account monthly with forty-five percent (45%) of the money deposited in the highway road and street

(b) The auditor of state shall distribute to units of local government money from this account each month.

(c) The auditor of state shall allocate to each county the money in this account based on the basis of the ratio of each county's passenger car and pickup truck registrations to the total passenger car and pickup truck registrations of the state. For purposes of this allocation, a pickup truck is a truck that is registered under IC 9-18-2-8 as a truck with a declared gross weight of not more than eleven thousand (11,000) pounds. The auditor of state shall further determine the suballocation between the county and the cities

within the county as follows:

(1) In counties having a population of more than fifty thousand (50,000), sixty percent (60%) of the money shall be distributed on the basis of the population of the city or town as a percentage of the total population of the county and forty percent (40%) distributed on the basis of the ratio of city and town street mileage to county road mileage.

(2) In counties having a population of fifty thousand (50,000) or less, twenty percent (20%) of the money shall be distributed on the basis of the population of the city or town as a percentage of the total population of the county and eighty percent (80%) distributed on the basis of the ratio of city and town street mileage to county road mileage.

(3) For the purposes of allocating funds as provided in this section, towns which become incorporated as a town Towns that incorporate between the effective dates of decennial censuses shall be become eligible for allocations under this **section** upon the effectiveness of a corrected population count for the town under IC 1-1-3.5.

(4) Money allocated under the provisions of this section to counties containing a consolidated city shall be credited or allocated to the department of transportation of the consolidated

(d) Each month the auditor of state shall inform the department of the amounts allocated to each unit of local government from the local road and street account."

Renumber all SECTIONS consecutively.

(Reference is to HB 1317 as printed February 1, 2002.)

Representative Moses rose to a point of order, citing Rule 118, stating that the motion was attempting to incorporate into House Bill 1317 a bill pending before the House. Representative Buck withdrew the motion.

There being no further amendments, the bill was ordered engrossed.

House Bill 1335

Representative Pond called down House Bill 1335 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1335–1)

Mr. Speaker: I move that House Bill 1335 be amended to read as

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning courts and court officers.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 33-4-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. A senior judge:

- (1) exercises the jurisdiction granted to the court served by the senior judge;
- (2) may serve as a domestic relations mediator, subject to the code of judicial conduct;
- (3) serves at the pleasure of the supreme court; and
- (3) (4) serves in accordance with rules adopted by the supreme court under IC 33-2-1-8."

Page 1, line 9, after "filing a" insert "petition for legal separation, paternity, or".

Page 1, line 10, strike "twenty" and insert "twenty-four".

Page 1, line 11, delete "(\$120)." and insert "(\$124).".

Page 2, line 3, after "foster" insert "domestic relations"

Page 2, line 20, delete "approved by" and insert "**submitted to**". Page 2, line 22, strike "such".
Page 2, line 23, after "necessary" insert ".".

Page 2, line 23, strike "to assist in a".

Page 2, strike line 24.

Page 2, line 27, delete ", 2004" and insert "of each year".

Page 2, line 28, after "program" insert ".".

Page 2, line 28, strike "through".

Page 2, line 28, delete "2004.".

Page 2, line 28, strike "The county shall submit a final report".

Page 2, line 29, strike "to the Indiana judicial conference not later

Page 2, delete line 30.

Page 2, line 31, strike "(f) This SECTION expires".

Page 2, line 31, delete "July 1, 2006.".

Page 2, line 38, after "filing a" insert "petition for legal separation, paternity, or".

Page 2, line 39, delete "twenty" and insert "twenty-four".

Page 2, line 40, delete "(\$120)" and insert "(\$124)"

Page 3, line 3, after "into the" insert "domestic relations".

Page 3, line 3, delete "of the court" and insert ".".

Page 3, delete line 4.

Page 3, line 5, delete "an" and insert "a domestic relations".

Page 3, line 5, after fund insert ". The exclusive source of money for the fund shall be the fees collected under subsection (b). The funds shall be used to foster domestic relations alternative dispute resolution, including mediation, reconciliation, nonbinding arbitration, and parental counseling. Litigants referred by the court to services covered by the fund shall make a copayment for the services in an amount determined by the court. The fund shall be administered by the circuit or superior courts in the county that exercises jurisdiction over domestic relations and paternity cases. Money in the fund at the end of a fiscal year does not revert to the county general fund, but remains in the fund for the uses specified in this subsection.".

Page 3, delete lines 6 through 17.

Page 3, delete lines 20 through 35, begin a new line block indented and insert:

"(1) develop a plan to carry out the purposes of subsection (c) that have been approved by a majority of the judges in the county exercising jurisdiction over domestic relations and paternity cases; and

(2) submit the plan to the judicial conference.

The plan must include information concerning how the county proposes to carry out the purposes of the domestic relations alternative dispute resolution fund as set out in subsection (c). The plan may include the use of senior judges as mediators in domestic relations cases as assigned by the supreme court. The judicial conference may request additional information from the county as necessary."

Page 3, line 38, delete ", 2003" and insert "each year".
Page 3, line 39, delete "through 2003. The county shall submit a final report to" and insert ".".

Page 3, delete lines 40 through 41.

Renumber all SECTIONS consecutively.

(Reference is to HB 1335 as printed January 31, 2002.)

POND

Motion prevailed. The bill was ordered engrossed.

House Bill 1346

Representative Pelath called down House Bill 1346 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1346–1)

Mr. Speaker: I move that House Bill 1346 be amended to read as follows:

Page 5, line 1, after "appoint" insert "initial".

Page 5, line 1, after "subcommittee." insert "Each subcommittee may by a majority vote of the members appointed to the subcommittee appoint additional members to the subcommittee. The chairperson of a subcommittee shall inform the chairperson of the commission of any members who are added to the subcommittee. The commission may by a majority vote of the members appointed to the subcommittee appoint or remove members of the subcommittee."

(Reference is to HB 1346 as printed January 30, 2002.)

C. BROWN

Motion prevailed. The bill was ordered engrossed.

House Bill 1354

Representative Mahern called down House Bill 1354 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1354–3)

Mr. Speaker: I move that House Bill 1354 be amended to read as follows:

Page 2, line 6, delete "if," and insert "if:".

Page 2, delete lines 7 through 8.

Page 2, line 9, after "(1)" insert "not more than one (1) year after offering telecommunications service in a telephone exchange boundary area,".

Page 2, line 19, delete "area at least twenty-five percent (25%)"

and insert "area:

(i) not more than one (1) year after offering telecommunications service in a telephone exchange boundary area, at least five percent (5%);

(ii) not more than two (2) years after offering telecommunications service in a telephone exchange boundary area, at least ten percent (10%);

(iii) not more than three (3) years after offering telecommunications service in a telephone exchange boundary area, at least fifteen percent (15%);

(iv) not more than four (4) years after offering telecommunications service in a telephone exchange boundary area, at least twenty percent (20%); and

(v) not more than five (5) years after offering telecommunications service in a telephone exchange boundary area, at least twenty-five percent (25%);".

Page 2, line 19, begin a new line double block indented beginning with "of"

Page 2, line 27, delete "before July 2, 2003." and insert "before: (1) July 1, 2003, if the telecommunications provider has a customer base in each telephone exchange boundary area in which the telecommunications provider offers telecommunications service of at least twenty-five percent (25%);

(2) July 1, 2004, if the telecommunications provider has a customer base in each telephone exchange boundary area in which the telecommunications provider offers telecommunications service of at least twenty percent (20%);

(3) July 1, 2005, if the telecommunications provider has a customer base in each telephone exchange boundary area in which the telecommunications provider offers telecommunications service of at least fifteen percent (15%);

(4) July 1, 2006, if the telecommunications provider has a customer base in each telephone exchange boundary area in which the telecommunications provider offers telecommunications service of at least ten percent (10%);

(5) July 1, 2007, if the telecommunications provider has a customer base in each telephone exchange boundary area in which the telecommunications provider offers telecommunications service of at least five percent (5%);

of which is comprised of residential customers.

Page 2, line 28, delete "2003." and insert "2007." (Reference is to HB 1354 as printed January 31, 2002).

MAHERN

Motion prevailed.

HOUSE MOTION (Amendment 1354–1)

Mr. Speaker: I move that House Bill 1354 be amended to read as follows:

Page 1, line 16, after "provider", insert "that provides local exchange service"

Page 2, delete lines 25 through and insert "telecommunications provider that:

(1) provides local exchange service; and

(2) holds a certificate of territorial authority that was granted before January 20, 2002; shall comply"

(Reference is to HB 1354 as printed January 31, 2002.)

J. LUTZ

Motion prevailed.

HOUSE MOTION (Amendment 1354–2)

Mr. Speaker: I move that House Bill 1354 be amended to read as follows:

Page 1, line 3, delete "(a) As used in this section, "basic local exchange'

Page 1, delete lines 4 through 14.

Page 1, line 15, delete "(e)".

Page 1, line 16, delete "may not provide telecommunications service unless the" and insert "(as defined in IC 8-1-29-3) shall comply with the federal Telecommunications Act of 1996.".

Page 1, delete line 17.

Delete page 2.

Renumber all SECTIONS consecutively.

(Reference is to HB 1354 as printed January 31, 2002.)

CROOKS

After discussion, Representative Crooks withdrew the motion.

There being no further amendments, the bill was ordered engrossed.

House Bill 1382

Representative Mock called down House Bill 1382 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1382–3)

Mr. Speaker: I move that House Bill 1382 be amended to read as follows:

Page 2, line 6, after "the" insert "boundary between Elkhart County and St. Joseph County (the Dean Mock Expressway), west to the"

Page 2, line 9, delete "(the Dean Mock Expressway)" and insert "(the St. Joseph Valley Parkway)".

(Reference is to HB 1382 as printed January 31, 2002.)

COOK

Motion prevailed. The bill was ordered engrossed.

House Bill 1403

Representative Dillon called down House Bill 1403 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1403–1)

Mr. Speaker: I move that House Bill 1403 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 16-42-19-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. As used in this chapter, "practitioner" means any of the following:
(1) A licensed physician.

- (2) A veterinarian licensed to practice veterinary medicine in
- (3) A dentist licensed to practice dentistry in Indiana.
- (4) A podiatrist licensed to practice podiatric medicine in Indiana.
- (5) An optometrist who is:
 - (A) licensed to practice optometry in Indiana; and
 - (B) certified under IC 25-26-15.
- (6) An advanced practice nurse who meets the requirements of IC 25-23-1-19.5.
- (7) A physician assistant certified under IC 25-27.5 who is delegated prescriptive authority under IC 25-27.5-5-6.".

Page 4, between lines 9 and 10, begin a new paragraph and insert: "SECTION 3. IC 25-22.5-1-1.1 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.1. As used in this article:

- (a) "Practice of medicine or osteopathic medicine" means any one (1) or a combination of the following:
 - (1) Holding oneself out to the public as being engaged in:
 - (A) the diagnosis, treatment, correction, or prevention of any disease, ailment, defect, injury, infirmity, deformity, pain, or other condition of human beings;
 - (B) the suggestion, recommendation, or prescription, or administration of any form of treatment, without limitation; (C) the performing of any kind of surgical operation upon a human being, including tattooing, except for tattooing (as defined in IC 35-42-2-7), in which human tissue is cut, burned, or vaporized by the use of any mechanical means, laser, or ionizing radiation, or the penetration of the skin or body orifice by any means, for the intended palliation, relief, or cure; or
 - (D) the prevention of any physical, mental, or functional ailment or defect of any person.
 - (2) The maintenance of an office or a place of business for the reception, examination, or treatment of persons suffering from disease, ailment, defect, injury, infirmity, deformity, pain, or other conditions of body or mind.
 - (3) Attaching the designation "doctor of medicine", "M.D.", "doctor of osteopathy", "D.O.", "osteopathic medical physician", "physician", "surgeon", or "physician and surgeon", either alone or in connection with other words, or any other words or abbreviations to a name, indicating or inducing others to believe that the person is engaged in the practice of medicine or osteopathic medicine (as defined in this section).
 - (4) Providing diagnostic or treatment services to a person in Indiana when the diagnostic or treatment services:
 - (A) are transmitted through electronic communications; and (B) are on a regular, routine, and non-episodic basis or under an oral or written agreement to regularly provide medical services.

In addition to the exceptions described in section 2 of this chapter, a nonresident physician who is located outside Indiana does not practice medicine or osteopathy in Indiana by providing a second opinion to a licensee or diagnostic or treatment services to a patient in Indiana following medical care originally provided to the patient while outside Indiana.

- (b) "Board" refers to the medical licensing board of Indiana.
- (c) "Diagnose or diagnosis" means to examine a patient, parts of a patient's body, substances taken or removed from a patient's body, or materials produced by a patient's body to determine the source or nature of a disease or other physical or mental condition, or to hold oneself out or represent that a person is a physician and is so examining a patient. It is not necessary that the examination be made in the presence of the patient; it may be made on information supplied either directly or indirectly by the patient.
- (d) "Drug or medicine" means any medicine, compound, or chemical or biological preparation intended for internal or external use of humans, and all substances intended to be used for the diagnosis, cure, mitigation, or prevention of diseases or abnormalities of humans, which are recognized in the latest editions published of the United States Pharmacopoeia or National Formulary, or otherwise established as a drug or medicine.
- (e) "Licensee" means any individual holding a valid unlimited license issued by the board under this article.
- (f) "Prescribe or prescription" means to direct, order, or designate the use of or manner of using a drug, medicine, or treatment, by spoken or written words or other means.
- (g) "Physician" means any person who holds the degree of doctor of medicine or doctor of osteopathy or its equivalent and who holds a valid unlimited license to practice medicine or osteopathic medicine in Indiana.
- (h) "Medical school" means a nationally accredited college of medicine or of osteopathic medicine approved by the board
- medicine or of osteopathic medicine approved by the board.

 (i) "Physician's "Physician assistant" means an individual who:
 - (1) is an employee of supervised by a physician;
 - (2) is a graduate of a physician's assistant training program

approved by the board;

- (2) graduated from a physician assistant or surgeon assistant program accredited by an accrediting agency described in IC 25-27.5-2-4.5;
- (3) has successfully completed the national examination administered by the national commission on the certification of physician's assistants; passed the certifying examination administered by the National Commission on Certification of Physician Assistants (NCCPA) and maintains certification; and
- (4) has registered with the board. been certified by the physician assistant committee under IC 25-27.5-4.
- (j) "Bureau" refers to the health professions bureau under IC 25-1-5.
- SECTION 4. IC 25-22.5-1-2, AS AMENDED BY P.L.255-2001, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) This article, as it relates to the unlawful or unauthorized practice of medicine or osteopathic medicine, does not apply to any of the following:
 - (1) A student in training in a medical school approved by the board, or while performing duties as an intern or a resident in a hospital under the supervision of the hospital's staff or in a program approved by the medical school.
 - (2) A person who renders service in case of emergency where no fee or other consideration is contemplated, charged, or received.
 - (3) A paramedic (as defined in IC 16-18-2-266), an advanced emergency medical technician (as defined in IC 16-18-2-6), an emergency medical technician (as defined in IC 16-18-2-112), or a person with equivalent certification from another state who renders advanced life support (as defined in IC 16-18-2-7) or basic life support (as defined in IC 16-18-2-33.5):
 - (A) during a disaster emergency declared by the governor under IC 10-4-1-7 in response to an act that the governor in good faith believes to be an act of terrorism (as defined in IC 35-41-1-26.5); and
 - (B) in accordance with the rules adopted by the Indiana emergency medical services commission or the disaster emergency declaration of the governor.
 - (4) Commissioned medical officers or medical service officers of the armed forces of the United States, the United States Public Health Service, and medical officers of the United States Department of Veterans Affairs in the discharge of their official duties in Indiana.
 - (5) An individual who is not a licensee who resides in another state or country and is authorized to practice medicine or osteopathic medicine there, who is called in for consultation by an individual licensed to practice medicine or osteopathic medicine in Indiana.
 - (6) A person administering a domestic or family remedy to a member of the person's family.
 - (7) A member of a church practicing the religious tenets of the church if the member does not make a medical diagnosis, prescribe or administer drugs or medicines, perform surgical or physical operations, or assume the title of or profess to be a physician
 - (8) A school corporation and a school employee who acts under IC 34-30-14 (or IC 34-4-16.5-3.5 before its repeal).
 - (9) A chiropractor practicing the chiropractor's profession under IC 25-10 or to an employee of a chiropractor acting under the direction and supervision of the chiropractor under IC 25-10-1-13.
 - (10) A dental hygienist practicing the dental hygienist's profession under IC 25-13.
 - (11) A dentist practicing the dentist's profession under IC 25-14.
 - (12) A hearing aid dealer practicing the hearing aid dealer's profession under IC 25-20.
 - (13) A nurse practicing the nurse's profession under IC 25-23. However, a registered nurse may administer anesthesia if the registered nurse acts under the direction of and in the immediate presence of a physician and holds a certificate of

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completion of a course in anesthesia approved by the American Association of Nurse Anesthetists or a course approved by the board.

- (14) An optometrist practicing the optometrist's profession under IC 25-24.
- (15) A pharmacist practicing the pharmacist's profession under IC 25-26.
- (16) A physical therapist practicing the physical therapist's profession under IC 25-27.
- (17) A podiatrist practicing the podiatrist's profession under
- (18) A psychologist practicing the psychologist's profession under IC 25-33.
- (19) A speech-language pathologist or audiologist practicing the pathologist's or audiologist's profession under IC 25-35.6. (20) An employee of a physician or group of physicians who performs an act, a duty, or a function that is customarily within the specific area of practice of the employing physician or group of physicians, if the act, duty, or function is performed under the direction and supervision of the employing physician or a physician of the employing group within whose area of practice the act, duty, or function falls. An employee may not make a diagnosis or prescribe a treatment and must report the results of an examination of a patient conducted by the employee to the employing physician or the physician of the employing group under whose supervision the employee is working. An employee may not administer medication without the specific order of the employing physician or a physician of the employing group. Unless an employee is licensed or registered to independently practice in a profession described in subdivisions (9) through (18), nothing in this subsection grants the employee independent practitioner status or the authority to perform patient services in an independent practice in a profession.
- (21) A hospital licensed under IC 16-21 or IC 12-25.
- (22) A health care organization whose members, shareholders, or partners are individuals, partnerships, corporations, facilities, or institutions licensed or legally authorized by this state to provide health care or professional services as:
 - (A) a physician;
 - (B) a psychiatric hospital;
 - (C) a hospital;
 - (D) a health maintenance organization or limited service health maintenance organization;
 - (E) a health facility;
 - (F) a dentist;
 - (G) a registered or licensed practical nurse;
 - (H) a midwife;
 - (I) an optometrist;
 - (J) a podiatrist;
 - (K) a chiropractor;
 - (L) a physical therapist; or
 - (M) a psychologist.
- (23) A physician assistant practicing the physician assistant's assistant profession under IC 25-27.5.
- (24) A physician providing medical treatment under ÌC 25-22.5-1-2.1.
- (25) An attendant who provides care services as defined in IC 16-27-1-0.5.
- (26) A personal services attendant providing authorized attendant care services under IC 12-10-17.
- (b) A person described in subsection (a)(9) through (a)(18) is not excluded from the application of this article if:
 - (1) the person performs an act that an Indiana statute does not authorize the person to perform; and
 - (2) the act qualifies in whole or in part as the practice of medicine or osteopathic medicine.
- (c) An employment or other contractual relationship between an entity described in subsection (a)(21) through (a)(22) and a licensed physician does not constitute the unlawful practice of medicine under this article if the entity does not direct or control independent medical acts, decisions, or judgment of the licensed physician. However, if

the direction or control is done by the entity under IC 34-30-15 (or IC 34-4-12.6 before its repeal), the entity is excluded from the application of this article as it relates to the unlawful practice of medicine or osteopathic medicine.

- (d) This subsection does not apply to a prescription or drug order for a legend drug that is filled or refilled in a pharmacy owned or operated by a hospital licensed under IC 16-21. A physician licensed in Indiana who permits or authorizes a person to fill or refill a prescription or drug order for a legend drug except as authorized in IC 16-42-19-11 through IC 16-42-19-19 is subject to disciplinary action under IC 25-1-9. A person who violates this subsection commits the unlawful practice of medicine under this chapter.
- (e) A person described in subsection (a)(8) shall not be authorized to dispense contraceptives or birth control devices.'

Page 8, after line 5, begin a new paragraph and insert: "SECTION 9. IC 25-27.5-1-1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. This article grants a supervising physician or physician designee the authority to delegate, as the supervising physician or physician designee determines is appropriate, those tasks or services the supervising

physician or physician designee typically performs. SECTION 10. IC 25-27.5-1-2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. This article does not grant the authority to a physician assistant to function independently of a physician's supervision.

SĒCTION 11. IĆ 25-27.5-2-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.5. "Administer a drug" means the direct application of a drug, whether by injection, inhalation, ingestion, or any other means, to the body of a

SECTION 12. IC 25-27.5-2-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5.5. "Deep sedation" means a controlled state of depressed consciousness that is produced by a pharmacologic method and that is accompanied by partial loss of protective reflexes, including the inability to respond purposefully to a verbal command.

SECTION 13. IC 25-27.5-2-7.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7.3. "Dispense" means issuing medical devices or one (1) or more doses of a drug in a suitable container with appropriate labeling for subsequent

administration to or use by a patient. SECTION 14. IC 25-27.5-2-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7.5. "General anesthesia" means a controlled state of unconsciousness that is produced by a pharmacologic method and that is accompanied by a partial or complete loss of protective reflexes, including the inability to independently maintain an airway and respond purposefully to physical stimulation or verbal command.

SECTION 15. IC 25-27.5-2-7.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7.8. "Light conscious sedation" means a minimally depressed level of consciousness produced by a pharmacologic method and under which an individual retains the ability to independently and continuously maintain an airway and respond appropriately to physical stimulation and verbal command.

SECTION 16. IC 25-27.5-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11. "Physician designee" means a physician who works or is trained in the same practice area as the practice area of the supervising physician, to whom responsibility for the supervision of a physician assistant is designated when the supervising physician is temporarily unavailable.

SECTION 17. IC 25-27.5-2-12.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12.5. (a) "Regional block

anesthesia" means spinal anesthesia, epidural anesthesia, major peripheral nerve blocks, or intravenous extremity blocks.

(b) The term does not include local infiltration anesthetics or

digital blocks.

SECTION 18. IC 25-27.5-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) The committee shall have regular meetings called upon the request of the president or by a majority of the members appointed to the committee for the transaction of business as may come properly before the committee under this article. At the first committee meeting of each calendar year, the committee shall elect a president and any other officer considered necessary by the committee by an affirmative vote of a majority of the committee.

(b) Three (3) members of the committee constitute a quorum. A quorum is required for the committee to take action on any business.

(c) The committee shall do the following:

- (1) Consider the qualifications of individuals who apply for eertificates an initial certificate under this article.
- (2) Provide for examinations required under this article.
- (3) Consider the setting in which the physician assistant will be working under physician supervision.

(4) Approve or reject certification applications.

(5) Approve or reject renewal applications.

(6) Approve or reject applications for a change or addition of a supervising physician.

(7) Certify qualified individuals.

- (4) (8) Propose rules to the board concerning the competent practice of physician assistants and the administration of this article.
- (5) (9) Recommend to the board the amounts of fees required under this article.

SECTION 19. IC 25-27.5-4-3, AS AMENDED BY P.L.32-2000, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) If the committee issues a probationary certificate under section 2 of this chapter, the committee may require the individual who holds the certificate to meet at least one (1) of the following conditions:

- (1) Report regularly to the committee upon a matter that is the basis for the probation.
- (2) Limit practice to areas prescribed by the committee.

(3) Continue or renew professional education.

- (4) Engage in community restitution or service without compensation for a number of hours specified by the committee.
- (5) Submit to the care, counseling, or treatment by a physician designated by the committee for a matter that is the basis for the probation.
- (b) The committee shall remove a limitation placed on a probationary certificate if after a hearing the committee finds that the deficiency that caused the limitation has been remedied.

SECTION 20. IC 25-27.5-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) The committee may grant temporary certification to an applicant who:

(1) meets the qualifications for certification under section 1 of this chapter except:

(A) for the taking of the **next scheduled** NCCPA examination; or

(B) if the applicant has taken the NCCPA examination and is awaiting the results; or

- (2) meets the qualifications for certification under section 1 of this chapter but is awaiting the next scheduled meeting of the committee.
- (b) A temporary certification is valid until: the earliest of the following:
 - (1) the results of an applicant's examination are available; **and** (2) the committee makes a final decision on the applicant's request for certification.
- (c) The committee shall immediately revoke a temporary certificate under this section upon notice to the committee that the temporary certificate holder has failed the NCCPA examination. The committee may extend a temporary certificate

at the discretion of and on the terms agreed upon by a majority vote of the members appointed to the committee at the committee's next regularly scheduled meeting.

- **(d)** A physician assistant practicing under a temporary certificate must practice with onsite physician supervision. and, notwithstanding IC 25-27.5-5-4, may not dispense drugs or medical devices.
- (d) (e) A physician assistant who notifies the board committee in writing and returns the individual's wallet certificate and wall certificate issued under this article may elect to place the physician assistant's certification on an inactive status.
- (f) An individual who holds a certificate under this article and who practices as a physician assistant while:

(1) the individual's certification has lapsed; or

(2) the individual is on inactive status under this section; shall be considered to be practicing without a certificate and is subject to discipling under IC 25.1.0

subject to discipline under IC 25-1-9.

SECTION 21. IC 25-27.5-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) A certificate issued by the committee expires on a date established by the health professions bureau under IC 25-1-5-4 in the next even-numbered year following the year in which the certificate was issued.

(b) An individual may renew a certificate by paying a renewal fee on or before the expiration date of the certificate.

(c) If an individual fails to pay a renewal **fee** on or before the expiration date of a certificate, the certificate becomes invalid **and must be returned to the committee.**

SECTION 22. IC 25-27.5-4-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. (a) An individual who is certified under this chapter shall notify the committee in writing and return the individual's wallet certificate and wall certificate when the individual retires from practice.

(b) Upon receipt of the notice, the committee shall:

(1) record the fact the individual is retired; and

(2) release the individual from further payment of renewal fees. SECTION 23. IC 25-27.5-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) This chapter does not apply to the practice of other health care professionals set forth under IC 25-22.5-1-2(a)(1) through IC 25-22.5-1-2(a)(19).

(b) This chapter does not allow the independent practice by a physician assistant of any of the activities of other health care professionals listed in IC 25-22.5-1-2(a)(1) through IC 25-22.5-1-2(a)(19).

SECTION 24. IC 25-27.5-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A physician assistant must engage in a dependent practice with physician supervision. A physician assistant may perform, under the supervision of the supervising physician, the duties and responsibilities that are delegated by the supervising physician and that are within the supervising physician's scope of practice, including prescribing and dispensing drugs and medical devices. A patient may elect to be seen, examined, and treated by the supervising physician. The patient must be treated by a physician if after two (2) previous visits to the physician assistant the patient has seen no appreciable improvement in the condition for which the patient is receiving treatment.

- (b) A working diagnosis made by the physician assistant must be:
 - (1) confirmed; and
 - (2) the final diagnosis made;

by the supervising physician or physician designee under IC 25-27.5-6-1(b).

SECTION 25. IC 25-27.5-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) The board may adopt rules under IC 4-22-2 to determine the appropriate use of prescription drugs by a physician assistant. Except as provided in subsections (b), (c), (d), and (g), a physician assistant may prescribe, dispense, and administer drugs and medical devices or services to the extent delegated by the supervising physician.

- (b) A physician assistant may not prescribe, dispense, or administer ophthalmic devices, including glasses, contact lenses, and low vision devices.
 - (c) A physician assistant may not prescribe, administer, or

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monitor general anesthesia, regional block anesthesia, and deep sedation. A physician assistant may not administer light conscious sedation during diagnostic tests, surgical procedures, or obstetrical procedures unless the following conditions are met:

(1) A physician is physically present in the area and is immediately available to assist in the management of the

patient.

- (2) The physician assistant is qualified to rescue patients from deep sedation and is competent to manage a compromised airway and to provide adequate oxygenation and ventilation.
- (d) A physician assistant may not prescribe drugs unless the physician assistant has successfully completed at least thirty (30) contact hours in pharmacology from an educational program that is approved by the committee and an accrediting agency.
- (e) As permitted by the board, a physician assistant may use or dispense only drugs prescribed or approved by the supervising physician. Prescription and administration of drugs may include:

(1) all legend drugs approved by the supervising physician;

and

(2) not more than a seven (7) day supply of scheduled substances listed under IC 35-48-2 approved by the supervising physician.

(c) Notwithstanding subsection (b), a physician assistant may not dispense a scheduled substance listed under IC 35-48-2.

(f) A physician assistant may request, receive, and sign for professional samples of drugs and may distribute professional samples of drugs to patients if the samples are within the scope of the physician assistant's prescribing privileges delegated by the supervising physician.

SECTION 26. IC 25-27.5-5-6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 6. (a) Except as provided in section 4(d) of this chapter, a supervising physician may delegate**

authority to a physician assistant to prescribe:

(1) legend drugs, except as provided in IC 25-27.5-5-4(e);

(2) not more than a seven (7) day supply of controlled substances (as defined in IC 35-48-1-9) at one (1) time; and (3) medical devices except ophthalmic devices, including

glasses, contact lenses, and low vision devices.

- (b) Any prescribing authority delegated to a physician assistant must be expressly delegated in writing by the physician assistant's supervising physician.
- (c) A physician assistant who is delegated the authority to prescribe legend drugs or medical devices must do the following:
 - (1) Enter on each prescription form that the physician assistant uses to prescribe a legend drug or medical device:

(A) the signature of the physician assistant;

(B) the initials indicating the credentials awarded to the physician assistant by the NCCPA; and

(C) the physician assistant's state certificate number.

- (2) Comply with all applicable state and federal laws concerning prescriptions for legend drugs and medical devices.
- (d) A supervising physician may delegate to a physician assistant the authority to prescribe only legend drugs and medical devices that are within the scope of practice of the licensed supervising physician or the physician designee.

(e) A physician assistant who is delegated the authority to prescribe controlled substances under subsection (a) must do the

following:

- (1) Obtain an Indiana controlled substance registration and a federal Drug Enforcement Administration registration.
- (2) Enter on each prescription form that the physician assistant uses to prescribe a controlled substance:
 - (A) the signature of the physician assistant;
 - (B) the initials indicating the credentials awarded to the physician assistant by the NCCPA;
 - (C) the physician assistant's state certificate number; and
 - (D) the physician assistant's federal Drug Enforcement Administration (DEA) number.

(3) Comply with all applicable state and federal laws concerning prescriptions for controlled substances.

(f) A supervising physician may delegate to a physician assistant the authority to prescribe only controlled substances that may be prescribed within the scope of practice of the licensed supervising physician or the physician designee."

Renumber all SECTIONS consecutively.

(Reference is to HB 1403 as printed January 30, 2002.)

WELCH

Motion prevailed. The bill was ordered engrossed.

House Bill 1230

Representative Whetstone called down House Bill 1230 for second reading. The bill was reread a second time by title. There being no further amendments, the bill was ordered engrossed.

ENGROSSED HOUSE BILLS ON THIRD READING

HOUSE MOTION

Mr. Speaker: I move that House Bill 1014 be reconsidered pursuant to Rule 95. I voted with the majority.

POND

Motion prevailed.

Engrossed House Bill 1014

The Speaker handed down for third reading Engrossed House Bill 1014, authored by Representative Day:

A BILL FOR AN ACT to amend the Indiana Code concerning elections.

The bill was reread a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 81: yeas 51, nays 45. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Skillman, Sipes, and Breaux.

OTHER BUSINESS ON THE SPEAKER'S TABLE

HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Tuesday, February 5, 2002 at 10:00 a.m.

DOBIS

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Goodin be added as coauthor of House Bill 1081.

KERSEY

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 106.1 be suspended for the purpose of adding more than three coauthors and that Representatives Goodin and J. Lutz be added as coauthors of House Bill 1124.

MURPHY

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Friend be added as coauthor of House Bill 1129.

ALDERMAN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 106.1 be suspended for the purpose of adding more than three coauthors and that Representatives T. Adams, Kuzman, Frizzell, and Munson be added as coauthors of House Bill 1130.

ALDERMAN

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Welch be added as coauthor of House Bill 1181.

STEELE

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 106.1 be suspended for the purpose of adding more than three coauthors and that Representatives Scholer, Goodin, and Porter be added as coauthors of House Bill 1202.

ROBERTSON

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 106.1 be suspended for the purpose of adding more than three coauthors and that Representative Saunders be added as coauthor of House Bill 1217.

CROSBY

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Kuzman and Mock be added as coauthors of House Bill 1308.

WOLKINS

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Goodin be added as coauthor of House Bill 1332.

LYTLE

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Goodin be added as coauthor of House Bill 1338.

LYTLE

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Bodiker be added as coauthor of House Bill 1381.

YOUNT

Motion prevailed.

On the motion of Representative Dickinson the House adjourned at 6:25 p.m., this fourth day of February, 2002, until Tuesday, February 5, 2002, at 10:00 a.m.

JOHN R. GREGG Speaker of the House of Representatives

F ANN SMITH

LEE ANN SMITH Principal Clerk of the House of Representatives